G. R. S. App. F. IX-4]

*Previous References.*
W 47-40-1 to 10

1942-3.
( War )

War File No. 29-42
Serial Nos. 1 to 3.

*Later References.*

# GENERAL AND REVENUE SECRETARIAT

*Serial Nos.* Three only.

**Part B for** September 1942.

SUBJECT.

Allianz Und Stuttgarter Life Insurance Bank Limited.

10.9.42

App. F. IX-4

*Previous References* 193 (G.G.)

File No. 64-34

Serial Nos. 1, 2, 3, 4, 5, 6.

*Later References.*
G.G. Dep. 58-35
" 26-35 (5-A)
" 15-36 (6 G.G.)

# GENERAL AND REVENUE SECRETARIAT.

*Serial Nos.* 6

**Part B for** August 1935

**SUBJECT.**

Existence of Services of Mr. Mallari Rao, Overseer, Daria. contact Engh.

The Supdt: G.G. No: E. 311-2 dt 22-7-35
" Comptroller Gen. H.C.

WD 01965—GPB—15,000—7-7-34

Sanction the proposal with modifications
S. Aiyar
15.11.35

673/45

Alliance U.a Shipping gate Life Insurance Bank Ltd

General and Revenue Secretariat

W File No. 29 of 1942-3. [App. F. III—2

Serial No. 1

OFFICE OF THE MINISTER FOR LAW
AUG 20 1942
No. 1725

From The Secretary to Govt. of Mysore
F. 193-39(65)/W dated 13th Aug. 42
forwarding a copy of the Draft Common Notification dated 27th June 42 and the circular issued by the Registrar of the Alliance re. a Court in Bangalore.

M/s Ferguson & Co. Chartered Accountants, are the Managers of the Insurance Bank, which is an Enemy Firm.
The Bank is not permitted to undertake fresh contracts of insurance. The present enclosures have been sent only for the information of this Govt. Subd for perusal.

Sir
Secy/Secretary

Law Minister
(Hon'ble Minister for Finance)
Copy may be sent to the Deputy Commissioner

Sir
Secy

21.8
Secy

Subd with a letter to the Superintendent of Insurance

Sir
Secy

2. Issued 1257/W dated 24th Aug. 42 to the Superintendent.

CHIEF SECRETARY
19 AUG. 1942
GOVT. OF MYSORE.

25
19.8
Sy

OFFICE OF THE MINISTER FINANCE & REVENUE
21 AUG. 1942
No. 1556

25
21.8
Sy

NOTE—Contn. Sheet.

WD 04155—GPB—55,000—28-10-41

L.3
97/W

Allianz Und Stuttgarter Life Insurance Bank Ltd

W File No. 29 of 1942-3

General and Revenue Secretariat.

Serial No. 3.

From The Secrett of Insurance.
Mr. L. 17 & 9th Sept. 42 Valuing the
Deptt of Commerce (Notification and the
Calcutta Policyholders.
Subd for perusal.

(PS 10/9)

The reply to this communication should be addressed to the Secretary to the Resident in Mysore, Bangalore, by designation and not by name.

Fe 583
14-8-42 Lot 268

No. F. 193-39(65)/W (e e 2)

W29-42-1

FROM

THE SECRETARY
TO THE HON'BLE THE RESIDENT IN MYSORE.

To

The Secretary to the Government of His Highness
the Maharaja of Mysore,
Law Department, Bangalore.

*Dated Bangalore, the* 13th August *1942.*

Allianz Und Stuttgarter Life Insurance
Bank Limited.

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SIR,

I am directed to refer to my letter No.F.193-39(65)/W, dated the 20th March 1941, on the above subject, and to forward a copy each of the Government of India, Department of Commerce, notification No.168-I.(23)-W/41, dated the 27th June 1942 and the circular, dated the 27th June 1942, issued to the policyholders of the Allianz, regarding a cut in benefits.

I have the honour to be,
Sir,
Your most obedient servant,

for SECRETARY TO THE RESIDENT

KRG

13 AUG. 19 GOVT OF MYSORE.

No. 1257/W. Fuels Two

W 29-42-2

24th August 1942.

The Superintendent of Insurance in Mysore,
Bangalore.

Allians Und Stuttgarter Life Insurance
Bank Limited.

I am directed to forward for your perusal and return a copy each of the Government of India, Department of Commerce, Notification No.168-I,(23)-W/41 dated the 27th June 1942 and the circular, dated the 27th June 1942, issued to the policyholders of the Allians regarding a cut in benefits.

I have the honour to be,
Sir,
Your most obedient servant,

For Chief Secretary to Government.

W 29-42-3. 876/W.

No. Min 9217
Encl. E2

OFFICE OF THE SUPERINTENDENT OF INSURANCE
IN MYSORE,

*Bangalore, dated...* ...8th...September..... ...1942.

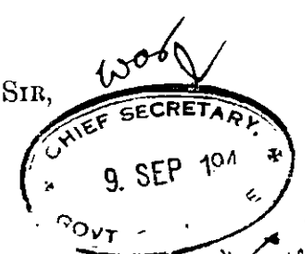
FROM

Rajasevaprasakta M. Venkatesa Iyengar, Esq., M.A.,
*Superintendent of Insurance in Mysore,*
*BANGALORE.*

To

Mothamed-ul-Mulk Gulam Mohiyuddin Mehkri, Esq., B.A., LL.B.,
Chief *Secretary to the Government*
*of His Highness the Maharaja of Mysore,*
~~xxxxxxxxxxxxxxxxxxxxxxxxxxxx~~
*BANGALORE.*

SIR,




Allianz Und Stuttgarter Life Insurance
Bank Limited.

I have the honor to return herewith after noting a copy each of the Government of India, Department of Commerce, Notification No.168-1(23)-W/41 dated the 27th June 1942 and the circular dated 27th June 1942 issued to the policyholders of the Allianz Und Stuttgarter Life Insurance Bank Limited, regarding a cut in benefits, as desired in your letter No.1257/W dated 24th August 1942.

I have the honor to be,

S i r,

Your most obedient servant,

M. Venkatesa Iyengar

SUPERINTENDENT OF INSURANCE.

8/9

GG.

## DEPARTMENT OF COMMERCE

### NOTIFICATION

INSURANCE

*New Delhi, the 27th June 1942*

**No. 168-I. 23)-W./41.**—In pursuance of clause (*c*) of sub-rule (*2*) of rule 113A of the Defence of India Rules, he Central Government is pleased to direct that Messrs. A. F. Ferguson and Company, who have bee authorised under sub-rule (*1*) of the said rule to arry on the business of the enemy firm known s the Allianz Und Stuttgarter Life Insurance Bak Limited, shall not, as agent of the said enemy fim, be bound, with effect from the 27th June 1942, ad until further orders, by any obligation imposed y any contract of insurance or otherwise in so far is the same stipulates for the payment by the said enmy firm of any sum insured, surrender value or any ther sum of money in accordance with terms and coditions of the said contract, except to the extent of 80 per cent. of the sum that would have been payable by the said enemy firm if this order had notbeen made.

N. R. PILLAI,
*Addl. Secy. to the Govt. of India.*

GIPD—L200CD—6-7-42—25.

# THE ALLIANZ UND STUTTGARTER
## LIFE INSURANCE BANK LTD.
### NEW DELHI.

*27th June 1942*

# ALLIANZ UND STUTTGARTER

## LIFE INSURANCE BANK LIMITED

Managed by Messrs. A. F. Ferguson & Company, Chartered Accountants, under the authority of the Government of India, in the Defence Co-ordination Department Notification. No 288 OR-39, dated the 13th December 1939, issued under rule 113-A of the Defence of India Rules

Telegrams : "ALLIANZ"
Telephone : 7033

CONNAUGHT PLACE.
(BARAKHAMBA ROAD)
(P. O. Box 23.)

***New Delhi, 29th June 1942.***

DEAR SIR/MADAM,

It will be remembered that on the outbreak of hostilities between Great Britain and Germany, the Head Office of this Company in India was closed down temporarily to enable the Government of India to examine its affairs and to find out how best they could safeguard the interests of its Indian policyholders consistently with the interest of the Company, and that Government decided to allow the Company to maintain its existing business in India, Burma and Ceylon for the time being, its management being vested in ourselves under Rule 113A of the Defence of India Rules.

2. Government was unable, however, to give any guarantee of payment of claims in full to the policyholders as the ability of the Company to meet its claims was dependent on its future experience as regards claims, income and expenses, and on the assets available to the management.

3. In due course arrangements were made for an actuarial valuation to be carried out for the Company, having regard to the likely trend of the future experience referred to above. The date as at which the valuation was made was 30th September, 1940, and the publication of the result has now been authorised.

4. The future experience expected is such that on this occasion the valuation has had to be made on a basis more stringent than hitherto adopted in the valuations made in Germany. This is unfortunately an inevitable consequence of the Indian Branch of the Company having now been forced to rely on itself without the capital subsidy which it received before the war from its Head Office. As far as can be judged here, the practice formerly appears to have been to value the Indian Branch on the same basis as that used for the valuation of the Company's world business and the resulting deficiency inevitable in a young Branch that was not yet self-supporting was made up by a subsidy from the Head Office. Now that subsidy is stopped, and therefore this business has to be valued in the same way as that of any other young insurance company in India. This has led, under present conditions, to the interest basis being reduced to 3% which is nearly the rate that can be earned on fresh investments of adequate security to-day. It will be observed from the valuation report that the interest earned on the life insurance fund since the last valuation date was at a lower rate and, therefore, existing investments did not help to increase the valuation rate. As a matter of fact, even the 3% rate would be rather high if the valuation deficiency referred to later is allowed to accumulate, instead of being extinguished as far as possible. Further, as regards expenses, the actuary has had to be guided by the experience of this business only up to the valuation date, which is certainly adverse compared with the provision made at the previous valuations, apparently because all the excessive expenditure was met out of the Head Office subsidy now stopped.

5. The valuation has therefore disclosed a deficit of about Rs. 10 lakhs which has further to be increased by the amount of certain "frozen assets" in the form of balances

held at the Company's Head Office in Berlin, which are, of course, unrealisable at the present time and by the doubtful value of some other debts due to the Company in India.

6. As early as July 1940, Government took into consideration whether the expenses of maintaining the business could be reduced and after a detailed investigation certain retrenchments were effected in November 1940 which indicated that the total expenses, excluding commission to insurance agents, might in future be brought down to about 10% of the premium income, so long as that income remained above Rs. 10 lakhs. The question whether payment of commission to agents should be discontinued was then postponed for consideration in the light of the valuation report. It has now been decided to discontinue further payment of such commission. This substantial reduction in future expenses could not be taken into account by the actuary who was valuing as at 30th September, 1940, since the audited accounts available to him could not show the reductions to which effect has since been given. The reductions, however, operate to reduce the deficiency and this aspect received full consideration subsequently, as referred to later.

7. It is clear, however, that all the expected relief by the savings planned is not likely to extinguish the total deficiency completely. It was never contemplated that the deficiency should be made up by the Government of India, Burma or Ceylon out of public funds. The immediate alternatives, therefore, are either to close the business or to continue its maintenance after making all possible arrangements to extinguish the deficiency. A third alternative of maintaining the business undisturbed as heretofore in spite of the deficiency disclosed, hoping for an early return of the original management, must be rejected as being not in the interests of the policyholders as a whole, as indicated later.

8. The Government of India are advised that, on legal grounds, it appears that unless the business is maintained, if necessary on a reduced scale, no payment out of the assets available to the present management is justified. If for any reason the business is closed, all payments, including those on policies, have to stop while the premiums would continue to be payable to the Custodian of Enemy Property if the policies are to remain in force. A winding-up and dissolution of the business whereby all the available assets could be distributed finally among the existing creditors, is not, in the circumstances of the case, permissible. The closing of the business is therefore not considered to be in the best interests of the policyholders.

9. But the adverse valuation report clearly shows that on the basis on which it has been made, the assets of the Allianz available to the present management are not likely to be sufficient to meet in full all policy claims as they arise, if the return of the former management is delayed for a fairly considerable time. If therefore the maintenance of the business is continued, it appears necessary that, in fairness to the policyholders whose claims will mature later, there should be a cut in the sums insured and surrender values payable on all policies hereafter till the return of the former management. The Government believe that the continued maintenance of the business with the necessary cut is in the best interests of the policyholders as a whole, instead of the closing of the business with stoppage of all payments. It must be remembered in this connection that the "cut" is being applied without prejudice to the rights of all policyholders who may be affected thereby, to claim the balance from the Company at some future date, after the original management has been reinstated.

10. To decide the amount of cut necessary, Mr. H. L. Humphreys, A. I. A., who made the valuation, was consulted.

Mr. Humphreys was asked to take into consideration the retrenchments to which effect has already been given for the purpose of reducing the future expenses, including the decision to stop paying commission to agents altogether, in calculating the cut necessary in the policy benefits. It will be observed from the later report of Mr. Humphreys, which is enclosed with this circular, that he recommends a cut of 10 per cent on all payments by Allianz under its policies that are made from the 30th June, 1942, if not earlier.

11. It is necessary, however, to remember that the amount of cut recommended by the actuary is dependent on the assumptions on which his reports are based, particularly with regard to claims, income and expenses and the value placed on the assets available to the management. It is impossible to guarantee, especially in these abnormal times, that all these assumptions and values will be realised in practice according to present estimates and therefore it is considered essential that the cut recommended by the actuary should be increased so as to provide an adequate margin of safety for the factors not specifically provided for by the actuary. Acting on this view, Government propose that the cut to be imposed should not be less than 20 per cent. Whatever the amount of cut imposed, policyholders will receive the reduced amount without prejudice to their rights to recover from the Company the amount of the cut or their other rights under their policies on the conclusion of peace.

12. Policyholders are invited to take into consideration the legal position described in paragraph 8 above and the accounts and actuarial reports enclosed herewith and to send their opinion on (a) the decision to maintain the business on a reduced scale instead of closing it, and (b) the amount of cut proposed in paragraph 11 above, having regard to the margin of safety necessary. If the policyholders have any alternative

suggestions to make, the Government of India would be pleased to give them the fullest consideration so long as there is no legal objection and no financial obligation imposed on Government.

13. It was further considered unwise to publish this result, with the prospect of some delay in arriving at a final decision in consultaion with the policyholders, and at the same time allow payments by Allianz under its policies to continue to be made in full as heretofore. Immediate action was obviously necessary to prevent a rush for full payments by a section of the policyholders at the expense of the rest and therefore it has been decided to put into effect at once the cut of 20 per cent considered necessary by Government. This measure has been legalised by an Order under Rule 113A of the Defence of India Rules, but it should be made clear that the Order is liable to modification when a final decision on the proposals made above is arrived at after consultation with the policyholders.

Yours faithfully,

(Sd.) A. F. FERGUSON & Co.

*Managers.*

H. L. HUMPHREYS
ASSOCIATE,
INSTITUTE OF ACTUARIES
GREAT BRITAIN.

41, COUNCIL HOUSE STREET
CALCUTTA.

***7th April, 1942.***

*The Chairman,*
*The Committee of Management,*
THE ALLIANZ UND STUTTGARTER
LIFE INSURANCE BANK LTD.
NEW DELHI.

DEAR SIR,

**Report on Points arising out of Valuation made as at 30th September 1940.**

1. I am now in a position to submit my recommendations on the points referred to me by you arising from the report on the valuation made as at the 30th September 1940.

2. The deficiency disclosed by the valuation for all business amounted to Rs. 9,71,247 and it is pointed out that if the reassumption of control by the Berlin Head Office is delayed for a considerable time the assets available to the present management may not be sufficient to meet claims in full as they arise. I have been asked, therefore, as to what reduction in benefits payable is necessary to create solvency as at the 30th September 1940 after taking into account the following Factors.

(a) That no value can be given for this pupose to the assets in Berlin and that certain other assets must be reviewed.

(b) That experience since the valuation date and in particular the recent decisions of the management indicate that the expenses of operation under the sent management will in future be considerably uced.

(c) That provision should be made for sums already paid or that may be paid up to say 30th of June 1942 in the form of claims and surrenders.

**3. Assets.**—After examination of the Accounts and consultations with the management I find that the amount by which assets shown in the Balance Sheet as at the 30th September should be reduced for the purpose of this investigation is Rs. 4,11,814. The bulk of this sum is accounted for by balances in Berlin.

**4. Expenses.**—The proportion of premiums reserved for expenses in the valuation was 20%. The information given me by the management as to what is proposed in the future show a considerable reduction in the amount of future expenses. But the proportion of premiums that should properly be assumed to be absorbed in Expenses in future cannot in my view be very materially reduced because the premium income must diminish. The diminution on account of claims arising is not in this matter so important as the diminution arising from conversions to paid up policies and from policies surrendered. Since the valuation date there has been a fairly high proportion of policy surrenders. This was perhaps to be expected but it must also be recognised that any reduction in sum assured without a corresponding reduction in premiums to be paid must tend to increase the rate of surrender which is also helped by the war conditions obtaining. In the same way there is a tendency for an increase in conversions to paid up assurances. Both these factors are dealt with below in the recommendations I am making but in deciding upon a proper ratio of expenses to assume in the immediate future I do not feel able to reduce the 20% assumed in the valuation below 15%.

**5. Claims & Surrenders Paid.**—I have received full information as to claims and surrenders paid up to the 31st of January and I have been able to make an estimate of similar

sums that may be paid up to the arbitrary date of 30th June 1942.

**6. Nature of the recommendations.**—It will be appreciated by the policyholders that it is not possible to make an exact calculation for a reduction in benefits with premiums remaining the same if such reduction is to operate for the uncertain period until the Berlin management may reassume control. Nor is it possible to assess the expectation of claimants for recovery from the Berlin management of the amount by which their claims may now be recommended to be reduced. It will also be clear that if my recommendation for reduction is over-cautious it will create an injustice to those policies that become claims before the Berlin Management reassumes control. But, on the other hand, if the reduction I have now to recommend is insufficient for the purpose an injustice will be created upon those who do not become claims before the Berlin management reassumes control. I have to choose between the danger of creating an injustice upon a body of claimants or upon a much larger body who will become claims after Berlin reassumes control. Of these two dangers the former due to over-caution seems to be the lesser. Claimants arising before Berlin reassumes control will not only be the smaller body but if an injustice to them prove to have been created they would ultimately have some recourse in their claim against the Berlin management. Knowing, therefore, that my calculations cannot be exact, I have endeavoured to err on the side of being over-cautious, since as explained above, any inequity that is created thereby may be set off by recovery subsequently from the Berlin management.

**7. Recommendations.**—The recommendations I make to meet the present situation are as follows :—

(i) That all sums paid on and after the 1st July 1942 that may be paid to policyholders whether under

the heading of claims surrenders or of dividends to policyholders being accumulated cash bonuses shall be reduced by 10% of the sum otherwise payable.

(ii) That any policy revived on or after the 1st July 1942 shall be revived for the full sum assured or other benefit but shall subsequently be subject to reduction on any payment being made under (i) above.

(iii) That premiums payable shall remain unaffected.

**8. Surrender & Paid Up Values.**—It will be seen from recommendation (i) above that the future basis of calculation of surrender values will remain the same as in the past subject to the resulting value being reduced by 10% on payment. It may be considered that this would be applicable only when reduction was being made in premiums as well as sum assured. I have given consideration to this point and if it was a general practice to quote surrender values as a direct function of the reserve made under the policy, there would be some force in the contention. But it is an almost universal practice to quote surrender values with no direct relation with the reserve made so as to bring out an appreciable lower value to provide for the option against the Company involved in surrender. I therefore consider that the simple reduction of the value by 10% is sufficient to avoid surrender after a reduction has been made being at the expenses of those who remain. Similarly in Paid Up Assurance amounts a reduction by 10% appears to me to be sufficient although there is theoretical justification in the case of future surrender and paid up amounts for the reduction being increased to say. 12½%. If effect if given to my recommendations and it is subsequently

found that a considerable increase in applications for surrender value is occurring it would apparently be within the competence of the present management to reduce further the surrender values in order to check excessive surrenders.

Yours faithfully,

H. L. HUMPHREYS.

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# ALLIANZ UND STUTTGARTER

## LIFE INSURANCE BANK LIMITED

Managed by Messrs. A. F. Ferguson & Company, Chartered Accountants, under the authority of the Government of India, in the Defence Co-ordination Department Notification, No. 258 OR-39, dated the 14th December 1939, issued under rule 113-A of the Defence of India Rules

Telegrams: "ALLIANZ"
Telephone: 7033

CONNAUGHT PLACE
(BARAKHAMBA ROAD)
(P. O. Box 23.)

*Accts. Dept.*

***New Delhi, 18th Sept. 1941.***

Certified that full and accurate particulars of every policy under which there is a liability have been furnished to the Actuary Mr. H. L. Humphreys, A.I.A., Calcutta, for the purpose of the investigation.

ALLIANZ UND STUTTGARTER

LIFE INSURANCE BANK LIMITED,

A. F. FERGUSON & Co.,

*Managers.*

# ALLIANZ UND STUTTGARTER LIFE

BALANCE

*As on 30th*

CAPITAL & LIABILITIES.

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Life Assurance Fund*, as per Revenue-Account ... ... ... | | 37,27,243 6 10 |
| *Reserve for Pending Claims*, whether due or intimated ... ... ... | | 2,03,209 8 0 |
| *Deposits*, on Proposals & Policies ... | | 25,261 2 8 |
| *Security-Deposits*... ... ... | | 1,190 10 0 |
| *Sundry Creditors* :— | | |
| (*i*) Balance due to Agents ... | 15,239 0 8 | |
| (*ii*) Fees due to Medical-Examiners | 106 1 0 | |
| (*iii*) Balance of Travelling Expenses due to Representatives ... | 196 1 0 | |
| (*iv*) Miscellaneous Creditors ... | 23,468 14 3 | 39,010 0 11 |
| FOR AND ON BEHALF OF ALLIANZ UND STUTTGARTER, *Life Insurance Bank Limited*, A. F. FERGUSON & CO. *Managers*. | | |
| | Rs. ... | 39,95,914 12 5 |

We have audited the Revenue Account for the period ending 30th
Allianz und Stuttgarter Life Insurance Bank Ltd., and have to report that we
that no parts of the Assets of the Life Assurance Fund has been directly or
1938. We have verified the Cash Balances and the Securities relating to the
the Certificates of the Imperial Bank of India, Delhi, and the Reserve Bank,
rates ruling on 30th September, 1940. In our opinion, the Revenue Account
the law and the said Balance-Sheet exhibits a true and correct view of the
mation and explanations given to us and as shown by the Books and
"Balance at Berlin" which in our opinion, is a doubtful Asset In our
with the requirements of the law.

*Delhi, 2nd August 1941.*

## INSURANCE BANK LTD., NEW DELHI.

SHEET.

*September, 1940.* **INDIA.**

PROPERTY & ASSETS.

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Loans*, on Company's Policies within their surrender Values ... ... | | 4,11,562 11 0 |
| *Investments*, at Market Value :— | | |
| Deposit with Reserve Bank of India, Calcutta ... ... ... | 1,93,700 0 0 | |
| Indian Government Securities with Imperial Bank Delhi ... ... | 26,20,248 S 0 | |
| Indian Municipal & Port Trust Debentures ... ... | 58,600 0 0 | 28,72,548 8 0 |
| *Real Property*, as per last Balance-Sheet | 75,000 0 0 | |
| Less Depreciation written off ... | 15,000 0 0 | 60,000 0 0 |
| *Outstanding Premiums* ... ... | | 57,585 12 0 |
| *Interest, Dividends & Rents Outstanding*, whether due or accrued but not due ... | | 25,690 9 4 |
| *Sundry Debtors* :— | | |
| *(i)* Advance to staff against salaries ... | 289 0 0 | |
| *(ii)* Advance against Travelling Expenses ... ... ... | 212 6 3 | |
| *(iii)* Balance due from Agents ... | 17,327 13 3 | |
| *(iv)* Miscellaneous Debtors ... | 10,547 2 7 | 28,376 6 1 |
| *Security Deposits* ... ... | | 314 8 0 |
| *Miscellaneous Assets* :— | | |
| Fixed Deposit ... ... | 750 0 0 | |
| Investments against Security Deposits received ... ... ... | 1,190 10 0 | 1,940 10 0 |
| *Balance at Berlin Head-Office* ... | | 2,99,157 10 2 |
| *Balance at Burma Branch* ... ... | | 56,718 1 8 |
| *Balance at Ceylon Branch* ... ... | | 14,607 0 5 |
| *Cash* :— | | |
| At Bankers on Current Account ... | 1,67,198 13 9 | |
| In-hand ... ... ... | 214 2 0 | 1,67,412 15 9 |
| | Rs. ... | 39,95,914 12 5 |

September, 1940, and the Balance-Sheet as on 30th September, 1940, of obtained all Information and explanations we have required. We certify indirectly applied in contravention of the provisions of the Insurance Act, Loans on Company's Policies. We hav also verified the Investments with Calcutta, and certify that these are shown in the Balance-Sheet at market and the Balance-Sheet as set forth above are drawn-up in conformity with state of affairs of the Company in India, according to the best of our infor- Vouchers of the Company, subject to the sum of Rs. 2,99,157-10-2 shown as opinion the Books of Account of the Company are maintained in accordance

P. R. MEHRA & CO
*Registered Accountants,*
*Auditors.*

# ALLIANZ UND STUTTGARTER LIFE

REVENUE

*From 1st January to*

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Claims under Policies*, Including Provision for Claims due or notified :— | | |
| (*i*) By Death ... ... | 1,76,691 12 3 | |
| (*ii*) By Maturity ... ... | 29,495 7 0 | 2,06,187 3 3 |
| *Surrenders* ... ... ... | | 79,410 4 0 |
| *Dividends to Policyholders* ... ... | | 19,755 11 7 |
| *Expenses of Management* :— | | |
| Commission to Agents ... ... | 31,456 10 0 | |
| Managers' Remuneration ... | 20,528 0 0 | |
| Salaries ... ... ... | 64,598 10 11 | |
| Contribution to Staff Provident Fund | 3,136 12 0 | |
| Travelling-Expenses ... ... | 4,401 15 0 | |
| Auditors' & Actuary's Fees ... | 3,877 0 0 | |
| Law Charges ... ... ... | 3,384 0 0 | |
| Advertisement ... ... | 150 14 0 | |
| Printing & Stationery ... ... | 4,039 0 6 | |
| Postage, Telegrams Revenue and Policy Stamps ... ... | 6,202 12 9 | |
| General Charges ... ... | 6,242 6 1 | |
| Freight, Clearing & Cartage ... | 380 0 0 | |
| Government & Municipal Taxes & Fees | 75 0 0 | |
| Rent, Light & Telephone ... | 9,757 0 3 | |
| Investigation Expenses ... .... | 284 4 6 | 1,58,514 6 0 |
| *Depreciation*, on Real Property & Building ... ... ... | | 15,000 0 0 |
| *Balance of Life Assurance Fund*, as shown in the Balance-Sheet ... | | 37,27,243 6 10 |
| | Rs. ... | 42,06,120 15 8 |

FOR AND ON BEHALF OF
ALLIANZ UND STUTTGARTER
*Life Insurance Bank Limited*
A. F. FERGUSON & CO.
*Managers.*

*Delhi, 2nd August, 1941.*

## INSURANCE BANK LTD., NEW DELHI.

ACCOUNT.

*30th September, 1940.* **INDIA.**

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Balance of Life Assurance Fund*, at the beginning of the year ... ... | | 32,52,004 5 2 |
| *Premiums* :— | | |
| (i) First Year ... ... | 5,227 4 0 | |
| (ii) Renewal ... ... ... | 7,76,708 6 0 | 7,81,935 10 0 |
| *Interest, Dividends & Rents* ... | 96,882 6 11 | |
| Less Income-Tax ... ... | 11,095 11 2 | 85,786 11 9 |
| *Miscellaneous Receipts*, Including Registration, Quotation and Copying Fees... | | 302 2 2 |
| *Appreciation on Investments* ... | | 72,263 14 0 |
| *Sale Proceed of Office Furniture* ... | | 10,792 8 7 |
| *Medical Fees*, Recovered on Cancelled Policies ... ... ... | | 3,035 12 0 |
| | Rs. ... | 42,06,120 15 8 |

P. R. MEHRA & CO.
*Registered Accountants,*
*Auditors.*

# ALLIANZ UND STUTTGARTER LIFE

BALANCE

*As on 30th*

CAPITAL & LIABILITIES.

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Life Assurance Fund*, as per Revenue Account ... ... ... | | 1,99,285 14 6 |
| *Reserve for Pending Claims*, whether due or intimated ... ... | | 15,852 0 0 |
| *Deposits*, on Proposal & Policies ... | | 3,866 14 6 |
| *Sundry Creditors* :— | | |
| (i) Fees due to Medical Examiners | 39 15 0 | |
| (ii) Balance due to Representative on account of Travelling Expenses | 0 1 0 | |
| (iii) Balance due to Agents ... | 1,517 10 6 | |
| (iv) Miscellaneous Creditors ... | 743 1 0 | 2,300 11 6 |
| *Balances*, of Indian Head-Office at Delhi | | 56,718 1 8 |
| FOR AND ON BEHALF OF ALLIANZ UND STUTTGARTER. *Life Insurance Bank Limited* A. F. FERGUSON & CO. *Managers.* | | |
| | Rs. ... | 2,78,023 10 2 |

We have audited the Revenue-Account for the period ending 30th Allianz Und Stuttgarter Life Insurance Bank Ltd., and have to report that certify that no parts of the Assets of the Life Insurance Fund have been ance Act, 1938. We have verified the Cash-Balances and the Securities Investments with the Certificates of the Reserve Bank of India, Rangoon, on 30th September, 1940. In our opinion, the Revenue-Account and the the said Balance-Sheet exhibits a true and correct view of the state of affairs explanations given to us and as shown by the Books and Vouchers of the Berlin" which in our opinion is a doubtful Asset. In our opinion, the requirements of the law.

*Delhi, 2nd August, 1941.*

## INSURANCE BANK LTD., NEW DELHI.

SHEET.

*September 1940.* **BURMA.**

PROPERTY & ASSETS.

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Loans*, on Company's Policies within Surrender Values ... ... | | 26,708 4 0 |
| *Investments at Market-Value* :— | | |
| Government of India Securities with the Reserve Bank of India, Rangoon, under Burma Life Assurance Act ... | | 1,09,337 8 0 |
| *Outstanding Premiums* ... ... ... | | 5,665 2 0 |
| *Interest, Dividends & Rent Outstanding*, whether due or accrued but not due ... | | 1,014 4 0 |
| *Sundry Debtors* :— | | |
| (*i*) Balance due from Agents ... | 710 2 6 | |
| (*ii*) Miscellaneous Debtors ... | 720 8 6 | 1,430 11 0 |
| *Security Deposit*, with Electric Supply Coy. ... ... ... | | 30 0 0 |
| *Balance at Berlin Head-Office* ... | | 1,00,156 4 8 |
| *Balance at Bankers*, on Current Accounts | | 33,681 8 6 |
| | Rs. ... | 2,78,023 10 2 |

September, 1940, and the Balance-Sheet as on 30th September, 1940, of we obtained all information and explanations we have required. We directly or indirectly applied in contravention of the provision of the Insur- relating to the Loans on Company's Policies. We have also verified the and certify that these are shown in the Balance-Sheet at market rates ruling Balance-Sheet as set forth above are drawn-up in conformity with the law and of the Company in Burma according to the best of our information and Company, subject to the sum of Rs. 1,00,156-4-8 shown as "Balance at Books of Accounts of the Company are maintained in accordance with the

P. R. MEHRA & Co.,
*Registered-Accountants,*
*Auditors.*

# ALLIANZ UND STUTTGARTER LIFE

REVENUE

*From 1st January to*

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Claims Under Policies*, including Provision for Claims due or intimated :— | | |
| By Death ... ... ... | | 11,152 0 0 |
| *Surrenders* ... ... ... | | 12,572 12 0 |
| *Dividends to Policy-Holders*... ... | | 500 15 0 |
| *Management Expenses* :— | | |
| Commission to Agents ... ... | 2,343 14 0 | |
| Managers' Remuneration ... | 1,508 0 0 | |
| Salaries ... ... ... | 4,972 13 0 | |
| Travelling Expenses ... ... | 175 5 0 | |
| Auditors & Actuary's Fees ... | 285 0 0 | |
| Advertisements ... ... | 6 0 0 | |
| Printing & Stationery ... ... | 295 15 6 | |
| Postage, Telegram & Revenue Stamps | 696 3 6 | |
| General Charges ... ... | 303 10 6 | |
| Freight, Clearing & Cartage ... | 28 0 0 | |
| Rent Light & Telephone ... ... | 717 9 0 | |
| Investigation Expenses ... ... | 112 11 0 | 11,445 1 6 |
| *Balance of Life Assurance Fund*, as shown in the Balance-Sheet ... | | 1,99,285 14 6 |
| | Rs. ... | 2,34,956 11 0 |

FOR AND ON BEHALF OF
ALLIANZ UND STUTTGARTER,
*Life Insurance Bank Limited*
A. F. FERGUSON & CO.,
*Managers.*

*Delhi 2nd August 1941.*

## INSURANCE BANK LTD., NEW DELHI.

ACCOUNT.

*30th September 1940.* **BURMA.**

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| *Life Assurance Fund*, at the beginning of the year ... ... ... | | 1,71,419 9 0 |
| *Premiums* :— | | |
| (i) First Year ... ... | 235 8 0 | |
| (ii) Renewal ... ... ... | 56,932 1 0 | 57,167 9 0 |
| *Interest, Dividends & Rents*... ... | 3,505 5 0 | |
| Less, Income Tax ... ... | 305 7 0 | 3,199 14 0 |
| *Miscellaneous Receipts*, including Registration, Quotation and Copying Fees... | | 8 13 0 |
| *Appreciation on Investments* ... | | 2,101 9 0 |
| *Sale Proceeds of Office Furniture* ... | | 274 0 0 |
| *Medical Fees*, Recovered on Cancelled Policies ... ... ... | | 785 5 0 |
| | Rs. ... | 2,34,956 11 0 |

P. R. MEHRA & CO.
*Registered Accountants.*
*Auditors.*

# ALLIANZ UND STUTTGARTER LIFE

BALANCE

*As on 30th*

CAPITAL & LIABILITIES.

| | Rs. | Rs. |
|---|---|---|
| *Life Assurance Fund*, as per Revenue Account ... ... ... | | 2,82,407 · 99 |
| *Reserve for Pending Claims*, whether due or intimated ... ... ... | | 15,279 · 00 |
| *Deposits*, on Proposals & Policies ... | | 4,455 · 90 |
| *Balances*, of Indian Head-Office at Delhi | | 14,607 · 23 |
| *Sundry Creditors* :— | | |
| (*i*) Fees due to Medical Examiners | 137 · 00 | |
| (*ii*) Balance due to Agents ... | 504 · 68 | |
| (*iii*) Miscellaneous Creditors ... | 2,008 · 54 | 2,650 · 22 |
| | Rs. ... | 3,19,400 · 34 |

FOR AND ON BEHALF OF
ALLIANZ UND STUTTGARTER,
*Life Insurance Bank Limited*
A. F. FERGUSON & CO.
*Managers.*

We have audited the Revenue-Account for the period ending 30th Allianz Und Stuttgarter Life Insurance Bank Ltd., and have to report that certify that no parts of the Assets of the Life Insurance Fund has been ance Act, 1938. We have verified Cash-Balances and the Securities Investments with the Certificates of the National Bank of India, and certify September, 1940. In our opinion, the Revenue-Account and the Balance-said Balance-Sheet exhibits a true and correct view of the state of affairs of explanations given to us and as shown by the Books and Vouchers of the maintained in accordance with the requirements of law.

*Delhi, 2nd August, 1941.*

# INSURANCE BANK LTD., NEW DELHI.

SHEET.

*September, 1940.* **CEYLON**

PROPERTY & ASSETS.

| | Rs. | Rs. |
|---|---|---|
| *Loans*, on Company's policies within their surrender values ... ... | | 88,083 · 42 |
| *Investments at Market-Value :—* | | |
| 3½% Ceylon State Mortgage Bank Debentures ... ... ... | 35,000 · 00 | |
| 3½% Government of India Loan ... | 1,21,030 · 00 | 1,56,030 · 00 |
| *Outstanding Premiums* ... ... | | 24,375 · 29 |
| *Interest, Dividends & Rents Outstanding*, whether due or accrued but not due ... | | 10,847 · 99 |
| *Sundry Debtors :—* | | |
| (*i*) Balance due from Agents ... | 1,451 · 88 | |
| (*ii*) Advance to Staff against salary... | 110 · 00 | |
| (*iii*) Miscellaneous Debtors including an amount of Rs. 36,364.26 held by the Custodian of Enemy Property, Colombo ... | 38,521 · 76 | 40,063 · 64 |
| | Rs. ... | 3,19,400 · 34 |

September, 1940, and the Balance-Sheet as on 30th September, 1940, of we obtained all information and explanations, we have required. We directly or indirectly applied in contravention of the provision of the Insurrelating to the Loans on Company's Policies. We have also verified the that these are shown in the Balance-Sheet at market-rates ruling on 30th Sheet as set forth above are drawn-up in conformity with the law and the the Company in Ceylon according to the best of our information and Company. In our opinion, the Books of Accounts of the Company are

P. R. MEHRA & CO.,
*Registered Accountants,*
*Auditors.*

## ALLIANZ UND STUTTGARTER LIFE

REVENUE

*From 1st January to*

| | Rs. | Rs. |
|---|---|---|
| *Claims Under Policies*, including Provision for Claims due or intimated ... | | *Nil.* |
| *Surrenders* ... ... ... | | *Nil.* |
| *Dividends to Policy-Holders*... ... | | *Nil.* |
| *Management Expenses* :— | | |
| Commission to Agents ... ... | 614 · 67 | |
| Medical Fees ... ... ... | 137 · 00 | |
| Managers' Remuneration ... | 464 · 00 | |
| Salaries ... ... ... | 1,531 · 00 | |
| Auditors & Actuary's Fees ... | 88 · 00 | |
| Printing & Stationery ... ... | 91 · 00 | |
| General Charges ... ... | 93 · 00 | |
| Freight, Clearing & Cartage ... | 9 · 00 | |
| Rent, Light and Telephone ... | 221 · 00 | 3,248 · 67 |
| *Life Assurance Fund*, as shown in the Balance-Sheet ... ... | | 2,82,407 · 99 |
| | Rs. ... | 2,85,656 · 66 |

FOR AND ON BEHALF OF
ALLIANZ UND STUTTGARTER,
*Life Insurance Bank Limited*
A. F. FERGUSON & CO.,
*Managers.*

*Delhi, 2nd August, 1941.*

## INSURANCE BANK LTD., NEW DELHI.

ACCOUNT.

*30th September, 1940.* **CEYLON.**

| | Rs. | Rs. |
|---|---|---|
| *Life Assurance Fund*, at the beginning of the year ... ... ... | 1,66,164 · 32 | |
| Transfer from Berlin Head-Office Account ... ... ... | 89,996 · 80 | 2,56,161 · 12 |
| *Premiums :—* | | |
| (ii) First Year ... ... | *Nil*, | |
| (iii) Renewal ... ... ... | 17,675 · 91 | 17,675 · 91 |
| *Interest, Dividends & Rent* ... ... | 8,160 · 73 | |
| Less Income-Tax ... ... | 497 · 35 | 7,663 · 38 |
| *Appreciation on Investments* ... | | 4,156 · 25 |
| | Rs. | 2,85,656 · 66 |

P. R. MEHRA & CO.,
*Registered Accountants,*
*Auditors.*

H. L. Humphreys,
Associate, Institute of
Actuaries, Great Britain.

7 Council House Street,
Calcutta,
6th October 1941.

The Chairman,
The Committee of Management,
The Allianz Und Stuttgarter Life Insurance Bank Ltd.,
New Delhi.

Dear Sir,

*Valuation Allianz Und Stuttgarter*

In accordance with your instructions I have valued the Indian Ceylon and Burma business of the Company separately and I enclose Schedules 4 and 5 under the Act in respect of each portion and in respect of the three combined.

2. It is necessary to supplement the information given in the Schedules in view of the special circumstances attaching to the Company and this Valuation. The rate of interest assumed is 3% and it will be readily recognised that it is difficult to justify a valuation at a higher rate of interest in view of the actual rate of interest earned on the Funds and the application of Section 27 of the Act to the Company.

3. The net premium used is 80% of the office premium throughout. The assumption of a flat rate of expense whether the policy is with or without profits would, in the case of an Insurer in ordinary operation, be inapplicable owing to the anomaly of it producing a higher rate of liability under without profit polices than under with profit. But the flat percentage in this case not only accords with the actual expenses incurred during the period in valuation whilst the Company has been operated as a closed fund but also with the ordinary type of arrangement for the handling of a closed fund since prospective Managers are not concerned with the relative share of individual classes in expenses but would consider only the premium as the criterion of the expenses to which they would be put.

4. In appreciating the results of valuation as shown in the Schedules, consideration will of course be given to the obscure factor of the proper value of the assets of balances in Berlin and the even more obscure factor of the liability

that may be attached, after the War, to the German Company for what I will term paper losses due to the assessment system utilised by the Company prior to the War. This system so far as I understand it, was to ascertain the liability for the foreign business in Berlin and then to adjust the Life Assurance Fund abroad to meet this figure when ascertained. It is quite clear that if an impossible set of circumstances is predicated resulting in Life Assurance conditions both as to interest and expenses remaining constant, the amount of increase in Funds for adjustment at any given moment would be relatively small. But the period prior to the War was a period when Life Assurance conditions in this respect were rapidly changing to the detriment of Offices so that increasing reserves were necessary. In consequence, the amount of this paper loss on account of this system is very large. I should not like to be called upon to make any estimate.

5. I have considerable doubt whether the above considerations are properly within my province as the valuing actuary on this occasion but I express my views since it appears that an investigation into the financial condition of the business as is required by Section 13 does not seem to be complete in this case without any treatment of this very difficult subject.

6. Any attempt to estimate the position of the Company vis-a-vis the German Company impels consideration of the position in equity of the policyholders in the matter, If it be assumed that there is a sum unknown in amount but certainly of many lacs of rupees which is not in the Life Assurance Fund owing to the system adopted by the German Company and the circumstance of War the question arises whether the policyholder is responsible in equity for having selected a German Company for his insurance when he could have selected an indigenous Company. If the view is taken that policyholders chose their Company with their eyes open and that therefore all the consequences must fall on them, a case could be made out for winding up on the results now shown. If, on the other hand, the view is taken that these policy-holders despite their choice must be protected and their best interest considered it appears impossible to ignore the degree of probability that some of these paper losses may be recoverable after the War and

that therefore a winding up at this stage would divest the policyholders of their chance of such recovery.

7. The views expressed in the previous paragraph are submitted having regard to Sec. 53 (2) (b) (4) of the Act in which the application for winding up is enabled on the grounds that the continuance of the Company is prejudicial to the interests of the policyholders and to make clear that in my view the opposite is the case and the discontinuance of the Company at this stage might be held to create an injustice for the policyholders.

Yours faithfully,

H. L. Humphreys.

H. L. Humphreys,
Associate, Institute of
Actuaries, Great Britain.

7 Council House Street,
Calcutta,
6th October 1941.

*Abstract under the Four Schedule of Act IV of* 1938 *in respect of Life Insurance business transacted in India of the Allianz Und Stuttgarter Life Insurance Bank, Ltd.*

The following tabular statements are annexed.

(A) Consolidated Revenue Account in Form G.

(B) Summary and Valuation in Form H.

(C) Valuation Balance Sheet in Form I.

(1) The valuation date is the 30th September 1940.

(2) The principle adopted in Valuation is to ascertain the liability from the difference between the present value of the benefits payable and of the future premiums.

(a) The principles were determined by the valuing actuary in consultation with the Chairman of the Managing Committee.

(b) The net premium utilised was 80% of the Office premium throughout. The office age at entry has been assumed to be attained on the 30th September following entry. The premium terms and maturity dates have been derived in the first case from the end of the policy year in which the last premium is payable and in the second case from the last day of the month in which maturity occurs.

(c) The valuation age has been derived from the office age at entry by the addition of the curtate duration. The period from the valuation date to the maturity date and the future premium terms have been obtained by adding to the integral number of years to elapse before maturity or cessation of premium as the case may be a fractional period represented by the integral number of months plus one elapsing from the valuation date until next policy anniversary.

(d) No rate of bonus has been taken into account.

(e) (i) The incidence of the premium income has

been allowed for by adjustment of the annunity factor based on the integral number of months plus one to elapse from the valuation date to the next policy anniversary.

(ii) All premiums have been assumed to have been paid annually and from the reserves thus ascertained a deduction has been made of the balance of instalments for the current policy year falling due after the valuation date.

(f) (i) The valuation factors assume that claims are on the average payable 6 months after the occurrence of death and immediately at maturity and no further provision therefore appears to be necessary.

(ii) Future expenses and profits for limited payments and paid up policies have been provided for on the basis of a sum of Rs. 5/- per thousand sum assured being necessary for this purpose.

(iii) No contractual liability appears to exist in respect of lapsed policies not included in the valuation. But in view of the special circumstances existing prior to this valuation, it is thought desirable to make a special reserve on this account of Rs. 18,000/-.

(g) Careful comparison of 80% of the office premium with the net premium which will produce a zero reserve has been made and from the investigation it was found that certain percentages of the premium payable under policies less than 4 years in force were producing negative values. A reserve of the value of these percentages (increased by approximately one-third) of the premium for policies of durations 1, 2 and 3 years has been made as a separate item at the foot of form H, thus eliminating all negative values.

(h) A reserve of 50% of the annual extra premium payable has been made in respect of under average lives and policies subject to extra premium for climatic, military or other extra risks and in view of a considerable number of female lives having been accepted without any extra an additional sum has been reserved on account of these cases of Rs. 8,435/-.

(i) The liabilities in respect of policies issued in foreign currencies have been brought into account in rupees at the following rates of exchange.

Sterling contracts 1S. 5 $\frac{31}{32}$d per Rupee

Swiss francs S. F. 131.76 per Rs. 100.

German Marks R.Mks 80.34 per Rs. 100 being the rate of exchange ruling on the date of declaration of War.

Investments in these currencies to the amount of the liabilities are not maintained and there is therefore risk of increase in liability by fluctuation in exchange. It is recommended that in order to obviate the need for an empirical reserve on this account under Sterling policies the Committee of Management should forthwith purchase Sterling Indian Government Securities in London to an amount of £3,153 being the amount of the liability under sterling contracts. With regard to Swiss francs I understand that the one policy that had been issued in this currency has been surrendered subsequent to the valuation date. The Policy liability under German Gold marks is Marks 1231 and a special reserve has therefore been made of Rs. 766 being the equivalent of 50% of the reserve at the rate of exchange ruling at the outbreak of the War.

(3) The OM5 Table of Mortality was used with an addition to the age of 5 years. The rate of interest assumed was 3%

(4) Proportion of the annual premiums exclusive of extra reserved as provision for future expenses and profit is

| | |
|---|---|
| With profit business | 20% |
| Without profit ,, | 20% |

(5) The rate of interest yielded by the average life insurance Fund during the period in valuation

| | |
|---|---|
| 1939 | 2.69% |
| 9 months to 30th Sept. 1940 | 2.49% |

(6), (7) No distribution is recommended on this occasion.

(8) The valuation shows a deficiency of Rs. 7,66,440 and this is the deficiency arising during the inter-valuation period.

(9) Statement in Form J is attached.

(10) The policy provides under a Double Indemnity clause available on payment of an extra premim for an additional benefit of an amount equal to the sum assured payable on death arising by accident. A further reserve for the purpose has been made of an amount equal to one year's such extra premium.

(11) Regulation A under Part I Fourth Schedule.

I have enclose a certificate from the principal officer of the Company as to the accuracy and completeness of the data supplied. The particulars have been supplied to me on cards in accordance with my instructions. I have satisfied myself as to the substantial accuracy of the particulars by the following:—

(a) Check of premiums against prospectus.

(b) Examination of the records of the Company generally. I certify that I am satisfied as to the accuracy of the Valuation made.

(12) Statement under Rule 25 of the Insurance Rules, 1939.

(a) No minimum surrender value is guaranteed in the policy contract.

(b) The proportion of renewal premium income spent in payment of commission and other expenses during the year 1939 and during the period of 9 months upto 30th Sept. 1940 after allowing as the cost of new business 7½% of single premiums and 90% of 1st year's premiums paid is as follows:—

| | |
|---|---|
| 1939 | 37.80% |
| 9 months to 30th Sept. 1940 | 19.80% |

H. L. Humphreys,
6th October 1941

**FOR**

Consolidated Revenue Account in respect of business Insurance Bank Ltd. for the period of one year

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| Claims under Policies (including provision for claims due or intimated) | | |
| (i) By Death .. | 3,59,643 3 9 | |
| (ii) By Maturity .. | 49,195 7 0 | 4,08,838 10 9 |
| Surrenders .. | | 1,13,875 15 0 |
| Dividend to Policyholders .. | | 33,779 5 7 |
| Expenses of Management— | | |
| Commisaion to Agents .. | 1,40,116 3 9 | |
| Medical Fees .. | 19,893 0 1 | |
| Organisation expenses .. | 1,90,685 8 4 | |
| Managers Remuneration .. | 20,528 0 0 | |
| Salaries .. | 2,34,576 14 2 | |
| Contribution to Staff Provident Fund .. | 12,320 6 0 | |
| Travelling Expense .. | 13,240 4 5 | |
| Auditors & Actuary's Fees .. | 5,289 7 0 | |
| Law Charges .. | 6,214 3 0 | |
| Advertisement .. | 6,188 3 9 | |
| Printing and Stationary .. | 16,993 4 0 | |
| Postage, Telegrams, Policies & Revenue Stamps .. | 19,785 5 9 | |
| General Charges .. | 18,504 7 11 | |
| Motor running charges .. | 1,032 10 0 | |
| Freight Clearing and cartage .. | 1,657 10 3 | |
| Govt. & Municipal Taxes and Fees .. | 628 2 0 | |
| Rent, Light and Telephones .. | 18,556 3 9 | |
| Inveatigation expense .. | 895 5 9 | |
| Capital expenditure .. | 584 3 0 | 7,27,689 6 11 |
| Depreciation | | |
| on Real Property & Buildigs .. | 31,456 15 11 | |
| on Investments .. | 2,49,187 6 4 | 2,80,644 6 3 |
| Balance of Life Assurance Fund at the end of the period. .. | | 37,27,243 6 10 |
| | | 52,92,071 3 4 |

# M G.

transacted in India of the Allianz Und Stuttgarter Life and 9 months ending 30th September 1940.

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| Balance of Life Assurance Fund at the beginning of the period .. | | 30,05,964 8 6 |
| Premium— | | |
| (i) First year .. | 1,91,948 10 0 | |
| (ii) Renewal .. | 18,37,823 14 5 | 20,29,772 8 5 |
| Interest, Dividends and Rents .. | 1,97,824 3 11 | |
| Less Income Tax .. | 29,086 5 11 | 1,68,737 14 0 |
| *Miscellaneous Receipts:* | | |
| Including Registration quotation and copying fees etc. .. | | 1,504 1 10 |
| Appreciation on investment .. | | 72,263 14 0 |
| Sale proceeds of office furniture .. | | 10,792 8 7 |
| Medical Fees recovered on cancelled policies. .. | | 3,035 12 0 |
| | | 52,92,071 3 4 |

# FORM H.

Summary and Valuation of Policies transacted in India of the Allianz Und Stuttgarter Life Insurance Bank Ltd., as at 30th September 1940.

| Description of transactions. | Particulars of Policies for Valuation. | | | | | Valuation. | | |
|---|---|---|---|---|---|---|---|---|
| | No. of Policies. | Sums Assured | Office yearly premiums | Net yearly premiums | Sums Assured | Office yearly premiums | Net yearly premiums. | Net Liability. |
| Division I—Insurances. Group A—With immediate participation in profit. | | | | | | | | |
| Endowment Assurances .. | 7,831 | 1,41,25,656 | 7,72,717 | 6,18,174 | 93,26,777 | 81,84,426 | 65,72,382 | 27,54,395 |
| Endowment with Ltd., premiums | 367 | 7,00,326 | 33,873 | 27,098 | 3,87,307 | 3,51,842 | 2,82,456 | 1,04,851 |
| Jt. Life Endt. Assurance .. | 65 | 1,69,933 | 10,874 | 8,699 | 1,21,103 | 1,00,231 | 80,832 | 40,271 |
| Children's Endt. premiums dependent .. | 553 | 9,76,769 | 62,245 | 49,796 | 6,84,720 | 5,24,511 | 4,21,688 | 2,63,032 |
| Extra premiums .. | .. | .. | 11,710 | .. | 5,855 | .. | .. | 5,855 |
| Total Insurances With Profits .. | 8,816 | 1,59,72,684 | 8,91,419 | 7,03,767 | 1,05,25,762 | 91,61,010 | 73,57,358 | 31,68,404 |
| Group D—Without participation in Profits | | | | | | | | |
| Endowment Assurances .. | 1,986 | 19,16,134 | 59,218 | 47,374 | 12,87,998 | 6,13,668 | 4,93,514 | 7,94,484 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Endowment Ltd. premiums .. | 165 | 2,65,913 | 11,612 | 9,290 | 1,71,574 | 82,581 | 66,606 | 1,04,068 |
| Endowment with guaranteed reduction in premiums .. | 198 | 3,64,576 | 16,121 | 12,897 | 2,44,035 | 1,25,947 | 1,01,249 | 1,42,786 |
| Jt. Life Endt. Assce. .. | 17 | 36,008 | 1,536 | 1,229 | 24,882 | 15,677 | 12,597 | 12,285 |
| Children's Endt. premiums dependent | 96 | 78,618 | 3,785 | 3,028 | 59,103 | 21,090 | 16,906 | 42,107 |
| Family Income Assurances .. | 13 | 18,616 | 806 | 645 | 11,073 | 12,013 | 9,631 | 1,442 |
| Extra premiums .. | .. | .. | 1,710 | .. | 855 | .. | .. | 855 |
| Total Insurances Without Profits | 2,475 | 26,80,765 | 94,788 | 74,463 | 17,09,520 | 8,70,976 | 7,00,593 | 10,98,927 |
| Total of the Insurances .. | 11,291 | 1,86,53,449 | 9,86,207 | 7,78,230 | 1,23,25,282 | 1,00,31,986 | 80,57,951 | 42,67,331 |
| Special reserve to offset negative values | | | | | | .. | .. | 26,861 |
| Cash bonus to the credit of policyholders | | | | | | .. | .. | 1,58,266 |
| Additional reserve for Ltd., payment and paidup policies | | | | | | .. | .. | 6,681 |
| Additional reserve for double indemnity benefit .. | | | | | | .. | .. | 7,343 |
| Additional reserve for female lives .. .. | | | | | | .. | .. | 8,435 |
| Special reserve in respect of lapsed policies .. .. | | | | | | .. | .. | 18,000 |
| Additional reserve in respect of one policy in German Marks | | | | | | .. | .. | 766 |
| | | | | | | | | 44,93,683 |

# FORM I

Valuation Balance Sheet in respect of business transacted in India of the Allianz Und Stuttgarter Life Insurace Bank Ltd. as at 30th Septr. 1940.

| | Rs. | | Rs. |
|---|---|---|---|
| Net Liability under business as shown in the Summa ry & Valuation of policies. | 44,93,683 | Balance of Life Assurance Fund as shown in the Balance Sheet. | 37,27,243 |
| | | Deficiency | 7,66,440 |
| | 44,93,683 | | 44,93,683 |

# FORM J

Specimen policy reserve values under an Endowment Assurance policy for Rs. 1,000.

| No. of annual premiums paid up to the valuation date. | Age at entry. | | |
|---|---|---|---|
| | 20 | 30 | 40 |
| 1 | .. | 7 | 53 |
| 2 | .. | 34 | 104 |
| 3 | 10 | 62 | 157 |
| 4 | 28 | 91 | 212 |
| 5 | 46 | 120 | 268 |
| 6 | 65 | 151 | 327 |
| 7 | 84 | 182 | 387 |
| 8 | 104 | 214 | 450 |
| 9 | 125 | 248 | 515 |
| 10 | 146 | 282 | 583 |
| 15 | 262 | 470 | 970 |
| 20 | 397 | 695 | .. |

*Note*:—No minimum surrender value is guaranteed in the policy contract.

The Company has not issued whole life and whole life limited payment policies and therefore the above statement does not show specimen reserve values for such classes of policies.

# THE FIFTH SCHEDULE.

## PART II.

Statements applicable to Life Assurance business transacted in India of the Allianz Und Stuttgarter Life Insurance Bank Ltd., as at 30th September 1940.

1. The following are the published tables of premium for Endowment Assurances which were in use at the above date. The Company has not offered in its prospectus rates for assurances for the whole term of life.

Endowment Assurance

With Profits.

| Age next birthday | 10 years | 15 years | 20 years | 30 years | 40 years |
|---|---|---|---|---|---|
| 20 | 106-7 | 69-3 | 51-2 | 34-9 | 28-1 |
| 30 | 107-12 | 71-0 | 53-9 | 38-5 | .. |
| 40 | 112-0 | 76-6 | 60-1 | .. | .. |

Without Profits.

| | | | | | |
|---|---|---|---|---|---|
| 20 | 98-10 | 63-11 | 46-13 | 31-5 | 25-3 |
| 30 | 99-14 | 65-7 | 49-1 | 34-13 | .. |
| 40 | 103-14 | 70-7 | 55-3 | .. | .. |

2. (a) Nil

(b) (i) & (ii) Endowment Assurances.

| Year of maturity. | With Profits. Sums Assured. | With Profits. Ordinary Premiums. | Without Profits. Net Premiums. | Without Profits. Sums Assured. | Without Profits. Ordinary Premiums. | Without Profits. Net Premiums. |
|---|---|---|---|---|---|---|
| 1941 | 15,114 | 1,153 | 922 | 1,883 | .. | .. |
| 1942 | 19,616 | 2,138 | 1,711 | 20,500 | 1,573 | 1,268 |
| 1943 | 25,643 | 2,433 | 1,946 | 1,013 | .. | .. |
| 1944 | 67,151 | 5,888 | 4,710 | 3,365 | 64 | 51 |
| 1945 | 1,37,897 | 11,682 | 9,346 | 13,525 | .. | .. |
| 1946-50 | 14,48,238 | 1,15,743 | 92,595 | 1,61,248 | 3,517 | 2,814 |
| 1951-55 | 38,41,354 | 2,33,254 | 1,86,603 | 4,34,700 | 14,163 | 11,330 |
| 1956-60 | 45,61,443 | 2,34,562 | 1,87,650 | 4,37,514 | 13,589 | 10,871 |
| 1961-65 | 25,13,726 | 1,09,030 | 87,225 | 2,76,994 | 8,140 | 6,512 |
| 1966-70 | 8,36,486 | 33,543 | 26,834 | 1,68,446 | 6,128 | 4,902 |
| 1971-75 | 2,73,513 | 10,549 | 8,439 | 1,73,007 | 6,076 | 4,861 |
| 1976-80 | 2,09,103 | 7,360 | 5,888 | 1,20,119 | 3,517 | 2,814 |
| 1981-85 | 1,13,927 | 3,578 | 2,862 | 61,900 | 1,559 | 1,247 |
| 1986-90 | 49,945 | 1,481 | 1,185 | 30,793 | 714 | 571 |
| 1991-95 | 12,500 | 323 | 258 | 7,939 | 116 | 93 |
| 996-2000 | .. | .. | .. | 3,188 | 62 | 50 |
| | 1,41,25,656 | 7,72,717 | 6,18,174 | 19,16,134 | 59,218 | 47,374 |

H. L. Humphreys,

6th October 1941.

H. L. Humphreys,
Associate, Institute of
Acturries Great Britain.

7 Council House Street,
Calcutta,
6th October 1941.

Allianz Und Stuttgarter Life Insurance Bank Limited.

P. O. Box 23,
New Delhi, 18th Sept. 1941

Accts. Dept.

Certified that full and accurate particulars of every policy under which there is a liability have been furnished to the Actuary Mr. H. L. Humphreys, A.I.A., Calcutta, for the purpose of the investigation.

Allianz Und Stuttgarter
Life Insurance Bank Limited,

Sd./ A. F. Ferguson & Co.

Managers.

H. L. Humphreys,
Associate, Institute of
Acturries, Great Britain.

7 Council House Street,
Calcutta,
6th October 1941.

*Abstract under the Fourth Schedule of Act IV of* 1938 *in respect of Life Insurance business transacted in Burma of the Allianz Und Stuttgarter Life Insurance Bank Ltd.*

The following tabular statements are annexed.

(A) Consolidated Revenue Account in Form G.

(B) Summary and Valuation in Form H.

(C) Valuation Balance Sheet in Form I.

(1) The Valuation date is the 30th September 1940.

(2) The principle adopted in Valuation is to ascertain the liability from the difference between the present value of the benefits payable and of the future premiums.

(a) The principles were determined by the valuing actuary in consultation with the Chairman of the Managing Committee.

(b) The net premium utilised was 80% of the office premium throughout. The office age at entry has been assumed to be attained on the 30th September following entry. The premium terms and maturity dates have been derived in the first case from the end of the policy year in which the last premium is payable and in the second case from the last day of the month in which maturity occurs.

(c) The valuation age has been derived from the office age at entry by the addition of the curtate duration. The period from the valuation date to the maturity date and the future premium terms have been obtained by adding to the integral number of years to elapse before maturity or cessation of premium as the case may be a fractional period represented by the integral number of months plus one elapsing from the valuation date until the next policy anniversary.

(d) No rate of bonus has been taken into account.

(e) (i) The incidence of the premium income has been allowed for by adjustment of the annuity factor based on the integral number of months plus one to elapse from the valuation date to the next policy anniversary.

(ii) All premiums have been assumed to have been paid annually and from the reserves thus ascertained a deduction has been made of the balance of instalments for the current policy year falling due after the valuation date.

(f) (1) The Valuation factors assume that claims on the average payable 6 months after the occurrence of death and immediately at maturity and no further provision therefore appears to be necessary.

(ii) Future expenses and profits for limited payments and paid up policies have been provided for on the basis of a sum of Rs. 5/- per thousand sum assured being necessary for this purpose.

(iii) No contractual liability appears to exist in respect of lapsed policies not included in the valuation. But in view of the special circumstances existing prior to this valuation it is thought desirable to make a special reserve on this account of Rs. 1000/-.

(g) Careful comparison of 80% of the office premium with the net premium which will produce a zero reserve has been made and by examination of individual policies negative values were eliminated.

(h) A reserve of 50% of the annual extra premium payable has been made in respect of under average lives and policies subject to extra premium for climatic, military or other extra risks and in view of a considerable number of female lives having been accepted without any extra an additional sum has been reserved on account of these cases of Rs. 420/-.

(i) No policy has been i.. oreign currency.

(3) The Om5 Table of Mortality was used with an addition to the age of 5 years. The rate of interest assumed was 3%.

(4) Proportion of the annual premiums exclusive of extra reserved as provision for future expenses and profit is

With profit business 20%
Without profit " 20%

(5) The rate of interest yielded by the average life insurance Fund during the period in valuation

| | |
|---|---|
| 1939 | 1. 58% |
| 9 months to 30th Septr. 1940 | 1. 74% |

(6),(7) No distribution is recommended on this occasion.

(8) The valuation shows a deficiency of Rs. 49,630 and this is the deficiency arising during the inter-valuation period.

(9) Statement in Form J is attached.

(10) The policy provides under a Double Indemnity clause available on payment of an extra premium for an additional benefit of an amount equal to the Sum Assured payable on death arising by accident. A further reserve for the purpose has been made of an amount equal to one year's such extra premium.

(11) Regulation IV under Part I Fourth Schedule.

I have received a certificate from the principal officer of the Company as to the accuracy and completeness of the data supplied. The particulars have been supplied to me on cards in accordance with my instructions. I have satisfied myself as to the substantial accuracy of the particulars by the following:-

(a) Check of premiums against prospectus.

(b) Examination of the records of the Company generally.

I certify that I am satisfied as to the accuracy of the valuation made.

(12) Statement under Rule 25 of the Insurance Rules 1939.

(a) No minimum surrender value is guaranteed in the policy contract.

(b) The proportion of renewal premium income spent in payment of commission and other expenses during the year 1939 and during the period of 9 months upto 30th September 1940 after allowing as the cost of new business 7½% of single premium and 90% of Ist year's premiums paid is as follows:-

| | |
|---|---|
| 1939 | 39.76% |
| 9 months to 30th Sept. 1940 | 19.73% |

H. L. Humphreys,
6th October 1941.

# FOR

Consolidated Revenue Account in respect of business
Life Insurance Bank Ltd. for the period of

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| Claims under policies (including Provision for claims due or intimated). By Death | 21,158 4 0 | 21,158 4 0 |
| Surrenders | .. | 15,058 4 0 |
| Dividend to Policyholders | .. | 863 11 0 |
| *Management Expenses.* | | |
| Commission to agents | 19,862 6 0 | |
| Organiser Expenses .. | 20,950 15 11 | |
| Medical Fees .. | 1,838 8 0 | |
| Manager's Remuneration .. | 1,508 0 0 | |
| Salaries .. | 19,719 15 0 | |
| Travelling Expense .. | 175 5 0 | |
| Audtor & Actuary Fee .. | 418 9 0 | |
| Advertisement .. | 28 8 0 | |
| Printing & Stationery .. | 1,415 11 6 | |
| Postage & Telegram-Revenue Stamp .. | 1,570 9 3 | |
| General Charges .. | 1,874 9 0 | |
| Motor Running Charges .. | 97 0 0 | |
| Freight Clearing & Carriage. .. | 141 9 0 | |
| Govt. & Municipal Taxes & Fees .. | 56 10 0 | |
| Rent Light & Telephone .. | 1,469 13 0 | |
| Investigation Expense .. | 112 11 0 | 71,240 2 8 |
| Capital Expenses Furniture .. | .. | 26 0 0 |
| Depreciation on Investments | .. | 4,994 13 9 |
| Balance of Life Assurance Fund at the end of the period as shown in the Balance Sheet. | .. | 1,99,285 14 6 |
| Total .. | .. | 3,12.627 1 11 |

# M G.

transacted in Burma of the Allianz Und Stuttgartet
1 year 9 month ending 30th September 1040.

| | Rs- a, p, | Rs, a. p. |
|---|---|---|
| Life Assurance Fund at the beginning of the period .. | .. | 1,39,705 8 7 |
| Premium— | | |
| 1st year .. | 34,699 15 0 | .. |
| Renewal .. | 1,39,305 4 11 | 1,64,005 3 11 |
| Interest Dividend and Rent .. | 6,312 7 9 | .. |
| Less Income Tax .. | 676 14 4 | 5,635 9 5 |
| Miscellaneous Receipts Including Registration, quotation and Assignment and copying fees. .. | .. | 119 14 0 |
| Appreciation on Investments .. | .. | 2,101 9 0 |
| Sale proceeds of office furniture .. | .. | 274 0 0 |
| Medical Fees. | | |
| Recovered on cancelled policies .. | .. | 785 5 0 |
| | | 3,12,627 1 11 |

# FORM H.

Summary and Valuation of the Policies transacted in Burma of the Allianz Und Stuttgarter Life Insurance Bank Ltd. as at 30. 9. 40.

| Description of Transactions. | Particulars of policies for Valuation. | | | | | Valuation. | | |
|---|---|---|---|---|---|---|---|---|
| | No. of Policies. | Sums Assured | Office yearly premiums | Net yearly premiums | Sums Assured | Office yearly premiums | Net yearly premiums | Net Liability |
| Division I—Insurances. | | | | | | | | |
| Group A—With immediate participation in profits. | | | | | | | | |
| Endowment Assurances .. | 378 | 9,31,663 | 62,121 | 49,697 | 6,45,801 | 5,92,407 | 4,75,625 | 1,70,176 |
| Endowment with Ltd. premiums | 3 | 13,000 | 695 | 556 | 7,285 | 6,360 | 5,100 | 2,185 |
| Joint Life Endowment Assurances .. | 2 | 4,000 | 360 | 288 | 2,901 | 2,936 | 2,372 | 529 |
| Children's Endowment—premiums dependent .. | 25 | 42,319 | 2,700 | 2,160 | 28,564 | 25,828 | 20,857 | 7,707 |
| Extra premiums .. | .. | .. | 1,267 | .. | 634 | .. | .. | 634 |
| Total Insurances With Profits | 408 | 9,90,982 | 67,143 | 52,701 | 6,85,185 | 6,27,531 | 5,03,954 | 1,81,231 |
| Group D—Without participation in profits. | | | | | | | | |
| Endowment Assurances .. | 108 | 62,677 | | 118 | 44,818 | 1,724 | 1,401 | 43,417 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Endowment with limited premiums .. | 5 | 5,188 | 217 | 174 | 3,122 | 2,288 | 1,860 | 1,262 |
| Endowment with guaranteed reduction in premium .. | 4 | 16,162 | 925 | 740 | 13,230 | 3,015 | 2,505 | 10,725 |
| Family Income Policy .. | 1 | 3,500 | 113 | 90 | 1,810 | 2,047 | 1,655 | 155 |
| Children's Endowment—premiums dependent .. | 7 | 2,428 | .. | .. | 1,842 | .. | .. | 1,842 |
| Extra premiums .. | .. | .. | 46 | .. | 23 | .. | .. | 23 |
| Total Insurances without profits .. | 125 | 89,955 | 1,448 | 1,122 | 64,845 | 9,074 | 7,421 | 57,424 |
| Total of the Insurances .. | 533 | 10,80,937 | 68,591 | 53,823 | 7,50,030 | 6,36,605 | 5,11,375 | 2,38,655 |

| | |
|---|---|
| Cash bonus to the credit of policyholders .. .. .. | 4,634 |
| Additional reserve for limited payment and paid up policies .. .. | 3,137 |
| Additional reserve for double indemnity benefit .. .. .. | 1,070 |
| Additional reserve for female lives .. .. .. | 420 |
| Special reserve in respect of lapsed policies .. .. .. | 1,000 |
| | 2,48,916 |

# FORM I

Valuation Balance Sheet in respect of business transacted in Burma of the Allianz Und Stuttgarter Life Insurance Bank Ltd., as at 30th Septer. 1940.

| | | | |
|---|---|---|---|
| Net Liability under business as shown in the Summary & Valuation of Polices | 2,48916 | Balance of Life Insurance Fund as shown in the Balance Sheet | 1,99,286 |
| | | Deficiency | 49,630 |
| | 2,48,916 | | 2,48 916 |

# FORM J

Specimen Policy Reserve values under an Endowment Assurance Policy for Rs 1,000.

| No. of annual premiums paid upto the valuationdate. | Age at entry 20 | 30 | 40 |
|---|---|---|---|
| 1 | .. | 7 | 53 |
| 2 | .. | 34 | 104 |
| 3 | 10 | 62 | 157 |
| 4 | 28 | 91 | 212 |
| 5 | 46 | 120 | 268 |
| 6 | 65 | 151 | 327 |
| 7 | 84 | 182 | 387 |
| 8 | 104 | 214 | 450 |
| 9 | 125 | 248 | 515 |
| 10 | 146 | 282 | 583 |
| 15 | 262 | 470 | 970 |
| 20 | 397 | 695 | .. |

*Note*:—No minimum surrender value is guaranteed in the Policy contract.

They Company has not issued Whole Life and Whole Life Limited payment policies and therefore the above statement does not show specimen reserve value for such classes of policies.

W 50-42-5

2446
W

**GOVERNMENT OF MYSORE**

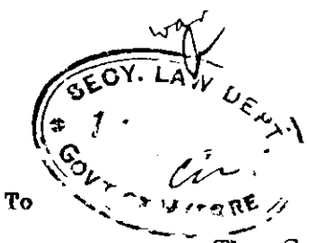
*Telegraphic Address*

**OFFICE OF**

The District Magistrate,

Kolar District.

**No.** J1.C.1100/41-42.
**Encls**




**Date** 12th February 1943.

~~MEMO~~

**To**

The Secretary to Government of Mysore,

Law Department,

Bangalore.

Sir,

With reference to Government Order No.3052/62/W dated 19th May 1942 sanctioning the appointment of an A.R.P. Instructor on Rs.50/- for Kolar District for the duration of War, I have the honour to state that there is no need for the continuance of this post hereafter, as several Municipal Employees, of Kolar, Malur and Bowringpet have received A.R.P. Training, and all quite conversent with the A.R.P. measures to be adopted during the time of emergency if any.

I, therefore, request that the said post may be abolished in this District.

I have in anticipation of Sanction of Government terminated the appointment of the individual who held this post and have reverted him to his permanent post.

I have the honour to be,

Sir,

Your most obedient servant

Deputy Commissioner,
Kolar District.

MS.

H. L. Humphreys,
Associate, Institute of
Actuaries, Great Britan

7 Council House Street,
Calcutta,
6th October 1941.

*Abstract under the Fourth Schedule of Act IV of* 1938 *in respect of Life Insurance business transacted in Ceylon of the Allianz Und Stuttgarter Life Insurance Bank, Ltd.*

The following tabular statements are annexed.

(A) Consolidated Revenue Account in Form G.

(B) Summary and Valuation in Form H.

(C) Valuation Balance Sheet in Form I.

(1) The Valuation date is the 30th September 1940.

(2) The principle adopted in Valuation is to ascertain the liability from the difference between the present value of the benefits payable and of the future premiums.

(a) The principles were determined by the valuing actuary in consultation with the Chairman of the Managing Committee.

(b) The net premium utilised was 80% of the Office premium throughout. The office age at entry has been assumed to be attained on the 30th September following entry. The premium terms and maturity dates have been derived in the first case from the end of the policy year in which the last premium is payable and in the second case from the last day of the month in which maturity occurs.

(c) The valuation age has been derived from the office age at entry by the addition of the curtate duration. The period from the valuation date to the maturity date and the future premium terms have been obtained by adding to the integral number of years to elapse before maturity or cessation of premium as the case may be a fractional period represented by the integral number of months plus one elapsing from the valuation date until the next policy anniversary.

(d) No rate of bonus has been taken into account.

(e) (i) The incidence of the premium income has been allowed for by adjustment of the annuity factor based on the integral number of months, plus one to elapse from the valuation date to the next policy anniversary.

(ii) All premiums have been assumed to have been paid annually, and from the reserves thus ascertained a deduction has been made of the balance of instalments for the current policy year falling due after the valuation date.

(f) (i) The valuation factors assume that claims are on the average payable 6 months after the occurrence of death and immediately at maturity and no further provision therefore appears to be necessary.

(ii) Future expenses and profits for limited payments and paid up policies have been provided for on the basis of a sum of Rs. 5/- per thousand sum assured being necessary for this purpose.

(iii) No contractual liability appears to exist in respect of lapsed policies not included in the valuation. But in view of the special circumstances existing prior to this valuation it is thought desirable to make a special reserve on this account of Rs. 1,500.

(g) Careful comparison of 80% of the office premium with the net premium which will produce a zero reserve has been made and by examination of individual policies negative values were eliminated.

(h) A reserve of 50% of the annual extra premium payable has been made in respect of under average lives and policies subject to extra premium for climatic, military or other extra risks and in view of a considerable number of female lives having been accepted without any extra an additional sum has been reserved on account of these cases of Rs. 600/-

(i) The liabilities in respect of policies issued in foreign currencies have been brought into account in rupees at the following rates of exchange.

| | |
|---|---|
| Sterling Contracts | 1S. $5\frac{31}{32}$d per Rupee. |
| German Marks | R.Mks. 80.34 per Rs. 100 being the rate of exchange ruling on the date of declaration of War. |

A special reserve has been made of Rs. 814 being the quivalent of 50% of the reserve under Mark currency at the ate of exchange ruling at the outbreak of the War.

(3) The OM5 Table of Mortality was used with an addition to the age of 5 years. The rate of interest assumed was 3%.

(4) Proportion of the annual premiums exclusive of extra reserved as provision for future expenses and profit is

With profit business 20%

Without profit ,, 20%

(5) The rate of interest yielded by the average life insurance Fund during the period in valuation

1939 5.91%

9 months to 30th Septr. 1940 3.48%

(6),(7) No distribution is recommended on this occasion.

(8) The Valuation shows a deficiency of Rs. 1,55,177 and this is the deficiency arising during the inter-valuation period.

(9) Statement in Form J is attached.

(10) The policy provides under a Double Indemnity Clause available on payment of an extra premium for an additional benefit of an amount equal to the Sum assured payable on death arising by accident. A further reserve for the purpose has been made of an amount equal to one year's such extra premium.

(11) egulation 4 under Part I Fourth Schedule.

I have receive a certificate from the principal ‹fficer of the Company as to the accuracy and completeness of the data supplied. The particulars have been supplied to me on cards in accordance with my instructions. I have satisfied myself as to the substantial accuracy of the particulars by the following: –

(a) Check of premiums against prospectus.

(b) Examination of the records of the Company generally.

I certify that I am satisfied as to the accuracy of the valuation made.

(12) Statement under Rule 25 of the Insurance Rules, 1939.

(a) No minimum surrender value is guaranteed in the policy contract.

(b) The proportion of renewal premium income spent in payment of commission and other expenses during the year 1939 and during the period of 9 months upto 30th September 1940 after allowing as the cost of new business 7½% of single premiums and 90% of 1st year's premiums paid is as follows :—

| | |
|---|---|
| 1939 | 38.24% |
| 9 months to 30th Sept. 1940 | 18.38% |

H. L. Humphreys,
6th October 1941.

**FOR**

Consolidated Revenue Account in respect of business Life Insurance Bank Ltd. for the period of

| | Rs. | Rs. |
|---|---|---|
| *Claims Policies.* (Including Provision for claims due or intimated) By Death .. | 22,646.00 | 22,646.00 |
| Surrenders | .. | 10'356.96 |
| Dividends to Policyholders | .. | 1,428.32 |
| *Management Expenses* | | |
| Commission to agents .. | 4,618.93 | |
| Medical fees .. | 510.73 | |
| Organisation expenses .. | 9,608.73 | |
| Manager Remuneration .. | 464.00 | |
| Salaries .. | 11,088.25 | |
| Travelling charges .. | 723.73 | |
| Adultor's and Actuary's Fee .. | 352.00 | |
| Law charges .. | 304.05 | |
| Advertisements .. | 57.36 | |
| Printing & Stationery .. | 836.50 | |
| Postage, Telegrams, Policies & Revenue Stamps .. | 325.55 | |
| General Charges .. | 3,594.91 | |
| Motor running charges .. | 67.00 | |
| Frieght clearing & Cartage .. | 141.36 | |
| Government & Municipal Taxes and Fees .. | 35.25 | |
| Rent, Light & Telephones .. | 670.50 | 33,463.85 |
| Depreciation on Investments .. | .. | 3,842.00 |
| Balance of Life Assurance Fund (at the end of the period as shown in the Balance Sheet).. | .. | 2,82,407.99 |
| .. | .. | 3,54,145.12 |

# M G.

transacted in Ceylon of the Allianz Und Stuttgarter one year and 9 months ending 30th September 1940.

| | Rs. | Rs. |
|---|---|---|
| Life Assurance Fund at the beginning of the period .. | .. | 1,51,873.75 |
| Transfer from Berlin Head Office account .. | .. | 89,996.80 |
| Premiums—First year .. | 4,698.31 | .. |
| Renewal .. | 85,637.05 | 90,335.36 |
| Interest and Dividend .. | 17,999.55 | .. |
| Less Income Tax .. | 1,201.42 | 16,798.13 |
| Miscellaneous Receipts (including Registration Assignment and copying fees) .. | .. | 161.11 |
| Sale proceeds of Furniture .. | .. | 823.72 |
| Appreciation on Investments .. | .. | 4,156.25 |
| | | 3,54,145.12 |

# FORM H.

Summary and Valuation of Policies transacted in Ceylon of the Allianz Und Stuttgarter Life Insurance Bank Ltd., as at 30th September 1940.

| Description of Transactions. | Particulars of Policies for Valuation. | | | | | Valuation. | | |
|---|---|---|---|---|---|---|---|---|
| | No. of Policies. | Sums Assured. | Office yearly premiums. | Net yearly premiums. | Sums Assured. | Office yearly premiums. | Net yearly premiums. | Net Liability. |
| Division I—Insurances. | | | | | | | | |
| Group A—With immediate participation in profits. | | | | | | | | |
| Endowment Assurances .. | 637 | 11,22,289 | 68,303 | 54,642 | 8,16,521 | 5,95,775 | 4,80,388 | 3,36,133 |
| ,, with limited premiums .. | 2 | 5,000 | 260 | 208 | 2,706 | 2,992 | 2,420 | 286 |
| Joint Life Endowment Assurances .. | 36 | 72,795 | 5,038 | 4,030 | 54,072 | 43,567 | 35,185 | 18,887 |
| Children's Endowment .. | 37 | 83,460 | 5,403 | 4,322 | 60,195 | 42,757 | 34,558 | 25,637 |
| Extra premiums .. | .. | .. | 1,487 | .. | 744 | .. | .. | 744 |
| Total Insurances With Profits | 712 | 12,83,544 | 80,491 | 63,202 | 9,34,238 | 6,85,091 | 5,52,551 | 3,81,687 |
| Group D—Without participation in profits. | | | | | | | | |
| Endowment Assurances .. | 55 | 44,655 | 564 | 451 | 32,755 | 6,621 | 5,326 | 27,429 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Endowment with limited premiums. | 2 | 1.391 | 61 | 49 | 703 | 316 | 262 | 441 |
| ,, with guaranteed reduction in premium .. | 6 | 11,200 | 560 | 448 | 8,170 | 4,069 | 3,255 | 4,915 |
| Children's Endowment .. | 2 | 1,808 | .. | .. | 1,311 | .. | .. | 1,311 |
| Extra premiums .. | .. | .. | 25 | .. | 13 | .. | .. | 13 |
| Total Insurances Without Profits | 65 | 59,054 | 1,210 | 948 | 42,952 | 11,006 | 8,843 | 34,109 |
| Total of the Insurances | 777 | 13,42,598 | 81,701 | 64,150 | 9,77,190 | 6,96,097 | 5,61,394 | 4,15796 |

| | | | | |
|---|---|---|---|---|
| Cash bonus to the credit of policyholders .. | .. | .. | .. | 15.909 |
| Additional reserve for limited payment and paid up policies | .. | .. | .. | 2,392 |
| Additional reserve for double indemnity benefit .. | .. | .. | .. | 574 |
| Additional reserve for female lives .. | .. | .. | .. | 600 |
| Special reserve in respect of lapsed policies .. | .. | .. | .. | 1,500 |
| Additional reserve in respect of one policy in German Marks | .. | .. | .. | 814 |
| | | | .. | 4,37,585 |

# FORM I

Valuation Balance Sheet in respect of business transacted in Ceylon of the Allianz Und Stuttgarter Life Insurance Bank Ltd., as at 30th September 1940.

| | | | |
|---|---|---|---|
| Net Liability under business as shown in the Summary & Valuation of policies | 4,37,585 | Balance of Life Insurance Fund as shown in the Balance Sheet | 2,82,408 |
| | | Deficiency | 1,55,177 |
| | 4,37,585 | | 4,37,585 |

# FORM J

Specimen policy Reserve values under an Endowment Assurance policy for Rs. 1000

| No. of annual premiums paid upto the valuation date. | Age at entry | | |
|---|---|---|---|
| | 20 | 30 | 40 |
| 1 | .. | 7 | 53 |
| 2 | .. | 34 | 104 |
| 3 | 10 | 62 | 157 |
| 4 | 28 | 91 | 212 |
| 5 | 46 | 120 | 268 |
| 6 | 65 | 151 | 327 |
| 7 | 84 | 182 | 387 |
| 8 | 104 | 214 | 450 |
| 9 | 125 | 248 | 515 |
| 10 | 146 | 282 | 583 |
| 15 | 262 | 470 | 970 |
| 20 | 397 | 695 | .. |

*Note* :— No minimum surrender value is guaranteed in the policy contract.

The Company has not issued whole life and whole life limited payment policies and therefore the above statement does not show specimen reserve value for such classes of policy.

# THE FIFTH SCHEDULE.

## PART II

Statements applicable to Life Assurance Business transacted n Ceylon of the Allianz Und Stuttgarter Life Insurance Bank Ltd., as at the 30th September 1940.

1. The following are the published tabless of premium or Endowment Assurances which were in use at the above date. The Company has not offered in its prospectus rates or assurances for the whole term of life.

Endowment Assurances

With Profits.

| Age next birthday. | 10 years. | 15 years. | 20 years. | 30 years. | 40 years. |
|---|---|---|---|---|---|
| 20 | 106—7 | 69—3 | 51—2 | 34—9 | 28—1 |
| 30 | 107—12 | 71—0 | 53—9 | 38—5 | .. |
| 40 | 112—0 | 76—6 | 60—1 | .. | .. |

Without Profits.

| | | | | | |
|---|---|---|---|---|---|
| 20 | 98—10 | 63—11 | 46—13 | 31—5 | 25—3 |
| 30 | 99—14 | 65—7 | 49—1 | 34—13 | .. |
| 40 | 103—14 | 70—7 | 55—3 | .. | . |

2 (a) Nil

2 (b) (i) & (ii) Endowment Assurances

| | With Profits. | | Without Profits. | | | |
|---|---|---|---|---|---|---|
| Year of Maturity. | Sums Assured. | Ordinary Premiums. | Net Premiums. | Sums Assured. | Ordinary Premiums. | Net Premiums. |
| 1941 | 3,000 | 345 | 276 | 1,133 | | |
| 1942 | 13,835 | 1,394 | 1,115 | | | |
| 1943 | 10,670 | 1,099 | 879 | | | |
| 1944 | 20,348 | 1,881 | 1,505 | | | |
| 1945 | 17,500 | 1,861 | 1,489 | | | |
| 1946-50 | 2,32,232 | 17,455 | 13,964 | 10,449 | | |
| 1951-55 | 4,95,730 | 27,337 | 21,870 | 19,462 | | |
| 1956-60 | 2,36,551 | 12,662 | 10,129 | 11,611 | 497 | 398 |
| 1961-65 | 78,923 | 3,643 | 2,914 | 2,000 | 67 | 53 |
| 1966-70 | 2,500 | 89 | 71 | | | |
| 1971-75 | 10,000 | 490 | 392 | | | |
| 1976-80 | 1,000 | 47 | 38 | | | |
| | 11,22,289 | 68,303 | 54,642 | 44,655 | 564 | 451 |

H. L. HUMPHREYS,
6 Oct. 1941.

H. L. Humphreys,
Associate, Institute of
Actuaries, Great Britain

7 Council House Street,
Calcutta,
6th October 1941.

Abstract under the Fourth Schedule of Act IV of 1938 in respect of all Life Insurance Business transacted in India, Burma & Ceylon of the Allianz Und Stuttgarter Life Insurance Bank Ltd.

The following tabular statements are annexed.

(A) Consolidated Revenue Account in Form G.

(B) Summary & Valuation in Form H.

(C) Valuation Balance Sheet in Form I.

(1) The valuation date is the 30th September, 1940.

(2) The principle adopted in valuation is to ascertain the liability from the difference between the present value of the benefits payable and of the future premiums.

The above principle and the principles set out below have been utilised to ascertain the policy liabilities in respect of business transacted in India, Burma and Ceylon separately and the total of these is taken as the liability in respect of all Life Insurance business transacted in India Burma and Ceylon.

(a) The principles were determined by the valuing actuary in consultation with the Chairman of the Managing Committee.

(b) The net premium utilised was 80% of the office premium throughout. The office age at entry has been assumed to be attained on the 30th September following entry. The premium terms and maturity dates have been derived in the first case from the end of the policy year in which the last premium is payable and in the second case from the last day of the month n which maturity occurs.

(c) The valuation age has been derived from the office age at entry by the addition of the curtate duration. The period from the valuation date to the maturity date and the future premium terms have been obtained by adding to the integral number of years to elapse before maturity or

cessation of premium as the case may be a fractional period represented by the integral number of months plus one elapsing from the valuation date until the next policy anniversary.

(d) No rate of bonus has been taken into account.

(e) (i) The incidence of the premium income has been allowed for by adjustment of the annuity factory based on the integral number of months plus one to elapse from the valuation date to the next policy annivesary.

(e) (ii) All premiums have been assumed to have been paid annually and from the reserves thus ascertained a deduction has been made of the balance of instalments for the current policy year falling due after the valuation date.

(f) (i) The valuation factors assume that claims are on the average payable 6 months after the occurrence of death and immediately at maturity and no further provision therefore appears to be necessary.

(ii) Future expenses and profits for limited payments and paid up policies have been provided for on the basis of a sum of Rs. 5/- per thousand sum assured being necessary for this purpose.

(iii) No contractual liability appears to exist in respect of lapsed policies not included in the valuation. But in view of the special circumstances existing prior to this valuation it is thought desirable to make a special reserve on this account of Rs. 20,500/-.

(g) Careful comparison of 80% of the office premium with the net premium which will produce a zero reserve has been made and by examination of individual policies negative values were eliminated in the cases of business transacted in Burma and Ceylon ; in the case of business transacted in India, from the investigation it was found that certain percentages of the premium payable under policies less than 4 years in force were producing negative values. A reserve of the value of these percentages (increased by approximately one-third ) of the premium for policies of durations 1 2 and 3 years has been made as a separate item at the foot of form H, thus eliminating all negative values.

(h) A reserve of 50% of the annual extra premium payable has been made in respect of under average lives

and policies subject to extra premium for climatic, military or other extra risks and in view of a considerable number of female lives having been accepted without any extra an additional sum has been reserved on account of these cases of Rs. 9,455/-.

(i) The liabilities in respect of policies issued in foreign currencies have been brought into account in rupees at the following rates of exchange.

| | |
|---|---|
| Sterling Contracts | 1s. 5 $\frac{31}{32}$d per Rupee |
| Swiss francs | S. F. 131.76 per Rs 100. |
| German Marks | R. Mks. 80.34 per Rs. 100 being the rate of exchange ruling on the date of declaration of War. |

Investments in these currencies to the amount of the liabilities are not maintained and there is therefore risk of increase in liability by fluctuation in exchange. It is recommended that in order to obviate the need for an empirical reserve on this account under sterling policies the Committee of Management should forthwith purchase sterling Indian Government Securities in London to an amount of £3,210 being the amount of the liability under these sterling contracts. With regard to Swiss francs, I understand that the one policy that had been issued in this currency has been surrendered subsequent to the valuation date. The policy liability under German Gold Marks is Marks, 2,538 and a special reserve has been made of Rs. 1580 being the equivalent of 50% of the reserve at the rate of exchange ruling at the outbreak of the War.

(3) The Om5 Table of Mortalilty was used with an addition to the age of 5 years. The rate of interest assumed was 3%.

(4) Proportion of the annual premiums exclusive of extra reserved as provision for future expenses and profit is

| | |
|---|---|
| With profit business | 20% |
| Without profit ,, | 20% |

(5) The rate of interest yielded by the average life Insurance Fund during the period in valuation

| | |
|---|---|
| 1939 | 2.78% |
| 9 months to 30th Sept. 1940 | 2.51% |

(6), (7) No distribution is recommended on this occasion.

(8) The valuation shows a deficiency of Rs. 9,71,247 and this is the deficiency arising during the intervaluation period.

(9) Statement in Form J Is attached.

(10) The - policy provides under a Double Indemnity Clause available on payment of an extra premium for an additional benefit of an amount equal to the sum assured payable on death arising by accident. A further reserve for the purpose has been made of an amount equal to one year's such extra premium.

(11) Regulation 4 under Part I Fourth Schedule.

I enclose a certificate from the principal officer of the Company as to the accuracy and completeness of the data supplied. The particulars have been supplied to me on cards in accordance with my instructions. I have satisfied myself as to the substantial accuracy of the particulars by the following:—

(a) Check of premiums against prospectus.

(b) Examination of the records of the Company generally. I certify that I am satisfied as to the accuracy of the valuation made.

(12) Statement under Rule 25 of the Insurance Rules, 1939.

(a) No minimum surrender value is guaranteed in the policy contract.

(b) The proportion of renewal premium income spent in payment of commission and other expenses during the year 1939 and during the period of 9 months upto 30th September 1940 after allowing as the cost of new business 7½% of Single premiums and 90% of 1st year's premiums paid is as follows:—

| | |
|---|---|
| 1939 | 37.94% |
| 9 months to 30th Septr. 1940 | 19.77% |

H. L. Humphreys,
6th October 1941.

# FOR

Consolidated Revenue Account in respect of business
Stuttgarter Life Insurance Bank Ltd. for the period

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| Claims under Policies including Provision for claims due or intimated) | | |
| (i) By Death .. | 4,03,447 7 9 | |
| (ii) By Maturity .. | 49,195 7 0 | 4,52,642 14 9 |
| Surrenders .. | .. | 1,39,291 2 4 |
| Dividend to policyholders .. | .. | 36,071 5 8 |
| Expenses of Management— | | |
| Commission to Agents .. | 1,64,662 8 2 | |
| Medical Fees .. | 22,242 3 9 | |
| Organisation expenses .. | 2,21,245 3 11 | |
| Managers Remuneration .. | 22,500 0 0 | |
| Salaries .. | 2,65,385 1 2 | |
| Contribution to Staff Provident Fund .. | 12 320 6 0 | |
| Travelling expenses .. | 14,139 5 1 | |
| Auditors & Actuary's Fees .. | 6,060 0 0 | |
| Law Charges .. | 6,518 3 10 | |
| Advertisement .. | 6,274 1 6 | |
| Printing & Stationery .. | 19,245 7 6 | |
| Postage, Telegrams, Policies & Revenue Stamps .. | 21,680 14 10 | |
| General charges .. | 23,973 15 5 | |
| Motor running charges .. | 1,196 10 0 | |
| Freight, Clearing & Cartage .. | 1,940 9 0 | |
| Govt. & Municipal Taxes and Fees .. | 720 0 0 | |
| Rent, Light & Telephones .. | 29,696 8 9 | |
| Investigation expenses .. | 1,008 0 9 | |
| Capital expenses .. | 584 3 0 | 8,32,393 7 2 |
| Capital expenses furniture .. | .. | 26 0 0 |
| Depreciation on Real property & Buildings .. | 31,456 15 11 | |
| Depreciation on Investments .. | 2,58,024 4 1 | 2.89.481 4 0 |
| Balance of Life Assurance Fund at the end of the period as shown in the Balance Sheet .. | .. | 42,08,937 5 2 |
| Total .. | .. | 59,58,849 7 1 |

# M G.

transacted in India Burma and Ceylon of the Allianz Und of 1 year and 9 months ending 30th September 1940.

| | Rs. a. p. | Rs. a. p. |
|---|---|---|
| Life Assurance Fund at the beginning of the period .. | .. | 32,97,543 13 1 |
| Transfer from Berlin Head Office A/c .. | .. | 89,996 12 10 |
| Premiums—(i) First year .. | 2,31,346 13 11 | .. |
| Renewal (ii) .. | 20,52,766 4 2 | 22,84,113 2 1 |
| Interest Dividend and Rents .. | 2,22,136 4 6 | .. |
| Less Income Tax .. | 30,964 11 0 | 1,91,171 9 6 |
| Miscellaneous receipts (including registration assignment and copying fees) .. | .. | 1,785 1 6 |
| Appreciation on Investments .. | .. | 78,521 11 0 |
| Sale proceeds of furniture .. | .. | 11,890 4 1 |
| Medical Fees (Recovered on cancelled policies) .. | .. | 3,821 1 0 |
| | | 59,58,843 7 |

# FORM II.

Summary and Valuation of all Life Policies transacted in India Burma and Ceylon of the Allianz Und Stuttgarter Life Insurance Bank Ltd. as at 30. 9. 40.

| Description of Transactions. | Particulars of policies for Valuation. | | | | | Valuation. | | |
|---|---|---|---|---|---|---|---|---|
| | No. of Policies. | Sums assured | premiums. | Net yearly premiums. | Sums assured | Office yearly premiums. | Net yearly premiums. | Net Liability |
| Division I—Insurances. | | | | | | | | |
| Group A—With immediate participation in profits. | | | | | | | | |
| Endowment Assurances .. | 8,846 | 1,61,79,608 | 9,03,141 | 7,22,513 | 1,07,89,099 | 93,72,608 | 75,28,395 | 32,60,704 |
| ,, with Ltd. premiums .. | 372 | 7,18,326 | 34,828 | 27,862 | 3,97,298 | 3,61,194 | 2,89,976 | 1,07,322 |
| Jt. Life Endt. Assurances .. | 103 | 2,46,728 | 16,272 | 13,017 | 1,78,076 | 1,46,734 | 1,18,389 | 59,687 |
| Childrens Endt. premiums dependent .. | 615 | 11,02,548 | 70,348 | 56,278 | 7,73,479 | 5,93,096 | 4,77,103 | 2,96,376 |
| Extra premiums. .. | .. | .. | 14,464 | .. | 7233 | .. | .. | 7,233 |
| Total Insurances With Profit .. | 9,936 | 1,82,47,210 | 10,39,053 | 8,19,670 | 1,21,45,185 | 1,04,73,632 | 84,13,863 | 37,31,322 |
| Group D—Without participation in profits. | | | | | | | | |
| Endt. Assurances .. | 2,149 | 20,23,466 | 59,929 | 47,943 | 13,65,571 | 6,22,013 | 5,00,241 | 8,65,330 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Endowment with Ltd. premiums .. | 172 | 2,72,492 | 11,890 | 9,513 | 1,75,399 | 85,185 | 68,728 | 1,06,671 |
| ,, with guaranteed reduction in premium .. | 208 | 3,91,938 | 17,606 | 14,085 | 2,65,435 | 1,33,031 | 1,07,009 | 1,58,426 |
| Jt. Life Endt. Assurances .. | 17 | 36,908 | 1,536 | 1,229 | 24,882 | 15,677 | 12,597 | 12,285 |
| Childrens Endt. premiums dependent .. | 105 | 82,854 | 3,785 | 3,028 | 62,256 | 21,000 | 16,996 | 45,260 |
| Family Income Assurances .. | 14 | 22,116 | 919 | 735 | 12,883 | 14,060 | 11,286 | 1,597 |
| Extra premiums .. | .. | .. | 1,781 | .. | 891 | .. | .. | 891 |
| Total Insurances Without Profits .. | 2,665 | 28,29,774 | 97,446 | 76,533 | 19,07,317 | 8,91,056 | 7,16,857 | 11,90,460 |
| Total of the Insurances .. | 12,601 | 2,10,76,984 | 11,36,499 | 8,96,203 | 1,40,52,502 | 1,13,64,688 | 91,30,720 | 49,21,782 |

| | |
|---|---|
| Special Reserve to offset negative values .. .. .. | 26,861 |
| Cash bonus to the credit of policyholders .. .. .. | 1,78,809 |
| Additional reserve for limited payment and paid up policies .. | 12,210 |
| Additional reserve for double indemnity benefit .. .. | 8,087 |
| Total c/d | 51,48,649 |

## FORM H (Contd).

| | |
|---|---|
| Total b/f | 51,48,649 |
| Additional reserve for female lives | 9,455 |
| Special reserve in respect of lapsed policies | 20,500 |
| Additional reserve in respect of policies in German Marks. | 1,580 |
| | 51,80,184 |

## FORM I.

Valuation Balance Sheet in respect of all business transacted in India, Burma, and Ceylon of the Allianz Und Stuttgarter Life Insurance Bank Ltd. as at 30th September 1946.

| | Rs. | | Rs. |
|---|---|---|---|
| Net Liability under business as shown in the Summary & Valuation of policies. | 51,80,184 | Balance of life Assurance Fund as shown in the balance sheets. | 42,08,937 |
| | | Deficiency | 9,71,247 |
| | 51,80,184 | | 51,80,184 |

## FORM J.

Specimen policy reserve values under an Endowment Assurance Policy for Rs. 1,000

| No. of annual premiums paid up to the valuation date. | Age at entry. | | |
|---|---|---|---|
| | 20 | 30 | 40 |
| 1 | .. | 7 | 53 |
| 2 | .. | 34 | 104 |
| 3 | 10 | 62 | 157 |
| 4 | 28 | 91 | 212 |
| 5 | 46 | 120 | 268 |
| 6 | 65 | 151 | 327 |
| 7 | 84 | 182 | 387 |
| 8 | 104 | 214 | 450 |
| 9 | 125 | 248 | 515 |
| 10 | 146 | 282 | 583 |
| 15 | 262 | 470 | 970 |
| 20 | 397 | 695 | .. |

*Note*.—No minimum surrender value is guaranteed in the policy contract.

The company has not issued Whole life and whole life limited payment policies and therefore the above statement does not show specimen reserve values for such classes of policies.

# THE FIFTH SCHEDULE

## PART II.

Statements applicable to all Life Insurance business transacted in India Burma & Ceylon of the Allianz Und Stuttgarter Life Insurance Bank Ltd. as at 30th September 1940.

1. The following are the published tables of premiums for Endowment Assurances which were in use at the above date. The Company has not offered in its prospectus rates for assurances for the whole term of life.

Endowment Assurances.

With profits.

| Age next birthday | 10 years | 15 years | 20 years | 30 years | 40 years |
|---|---|---|---|---|---|
| 20 | 106 7 0 | 69 3 0 | 51 2 0 | 34 9 0 | 28 1 0 |
| 30 | 107 12 0 | 71 0 0 | 53 9 0 | 38 5 0 | .. |
| 40 | 112 0 0 | 76 6 0 | 60 1 0 | .. | .. |

Without profits.

| | | | | | |
|---|---|---|---|---|---|
| 20 | 98 10 0 | 63 11 0 | 46 13 0 | 31 5 0 | 25 3 0 |
| 30 | 99 14 0 | 65 7 0 | 49 1 0 | 34 13 0 | .. |
| 40 | 103 14 0 | 70 7 0 | 55 3 0 | .. | .. |

2. (a). Nil.

(b) (i) & (ii) Endowment Assurances.

| Year of maturity | With Profits: Sums Assured. | With Profits: Ordinary Premiums. | With Profits: Net Premiums. | Without Proffts: Sums Assured | Without Proffts: Ordinary Premiums. | Without Proffts: Net Premiums. |
|---|---|---|---|---|---|---|
| 1941 | 18,114 | 1,498 | 1,198 | 3,016 | .. | .. |
| 1942 | 33,451 | 3,532 | 2,826 | 20,500 | 1,573 | 1,258 |
| 1943 | 36,313 | 3,532 | 2,825 | 1,013 | .. | .. |
| 1944 | 88,935 | 7,873 | 6,298 | 5,990 | 64 | 51 |
| 1945 | 1,63,897 | 14,483 | 11,587 | 14,900 | .. | .. |
| 1946-50 | 18,58,768 | 1,48,905 | 1,19,125 | 1,85,253 | 3,517 | 2,814 |
| 1951-55 | 47,62,114 | 2,89,977 | 2,31,982 | 4,79,146 | 14,163 | 11,330 |
| 1956-60 | 50,27,512 | 2,59,508 | 2,07,606 | 4,60,923 | 14,086 | 11,269 |
| 1961-65 | 26,62,438 | 1,15,712 | 92,570 | 2,83,666 | 8,207 | 6,565 |
| 1966-70 | 8,46,986 | 33,894 | 27,115 | 1,72,113 | 6,275 | 5,020 |
| 1971-75 | 2,86,605 | 11,147 | 8,917 | 1,73,007 | 6,076 | 4,861 |
| 1976-80 | 2,16,103 | 7,435 | 5,948 | 1,20,119 | 3,517 | 2,814 |
| 1981-85 | 1,15,927 | 3,841 | 3,073 | 61,900 | 1,559 | 1,247 |
| 1986-90 | 49,945 | 1,481 | 1,185 | 30,793 | 714 | 571 |
| 1991-95 | 12,500 | 323 | 258 | 7,939 | 116 | 93 |
| 996-2000 | .. | .. | .. | 3,188 | 62 | 50 |
| Total | 1,61,79,608 | 9,03,141 | 7,22,513 | 20,23,466 | 59,929 | 47,943 |

H. L. Humphreys,
6th October 1941.